

# **Social Security Bulletin**

**November 1942**

## ***Special Articles***

**Desirability of Expanding Social Insurance Now**

**Pensions and Compensation to Veterans and Their Dependents**

**The Effect of War Displacements on the Detroit  
General Assistance Program**

**Washington State Programs for the Blind**

**FEDERAL SECURITY AGENCY  
SOCIAL SECURITY BOARD**

**WASHINGTON, D. C.**

**Volume 5**

**Number 11**

# CONTENTS

for

NOVEMBER 1942

	Page
SOCIAL SECURITY IN REVIEW.....	1
DESIRABILITY OF EXPANDING THE SOCIAL INSURANCE PROGRAM NOW, by A. J. Altmeyer.....	5
PENSIONS AND COMPENSATION TO VETERANS AND THEIR DEPENDENTS, by Franklin M. ARNOLD.....	10
THE EFFECT OF WAR DISPLACEMENTS ON THE DETROIT GENERAL ASSISTANCE PROGRAM.....	25
WASHINGTON STATE PROGRAMS FOR THE BLIND, by Gwen Hardin.....	30
PUBLIC ASSISTANCE:	
Monthly data on the special types of public assistance, general assistance, and Federal work programs.....	34
EMPLOYMENT SECURITY:	
Operations of the employment security program.....	42
Monthly data on the labor market, placements, and insurance activities, September 1942.....	42
Financial transactions, third quarter, 1942.....	53
Disposition of appealed claims, July-December 1941.....	57
Railroad unemployment insurance.....	68
OLD-AGE AND SURVIVORS INSURANCE:	
Operations under the Social Security Act.....	70
Monthly benefits in force and payments certified, August 1942.....	70
Employers, employees, and taxable wages, second quarter 1942.....	71
Operations under the Railroad Retirement Act.....	72
Military service and other amendments.....	73
SOCIAL AND ECONOMIC DATA:	
Social security and other income payments to individuals.....	75
Estimated pay rolls in covered employment.....	77
Social insurance and related payments.....	78
Financial and economic data.....	80
RECENT PUBLICATIONS.....	88



# Social Security Bulletin

Volume 5

NOVEMBER 1942

Number 11

## Social Security in Review

THE PRESIDENT, by letter of October 5 through the Secretary of the Treasury, authorized expansion of the existing temporary programs of civilian war benefits and assistance. The funds originally allotted to the Federal Security Agency by the President on February 6 "shall be available for providing temporary aid to civilians (including enemy aliens) within the United States (1) who are injured as a result of enemy attack or of action to meet such attack or the danger thereof, or who are injured while in the performance of their duties as civilian defense workers; or (2) who are dependents of individuals (a) injured or killed under circumstances described in clause (1), or (b) interned by the enemy, or reported as missing under circumstances indicating such death or internment; or (3) who are being or have been evacuated from any area under the direction of civil or military authority; or (4) who are otherwise in need as a result of enemy attack or of action to meet such attack or the danger thereof." The aid provided may include money payments, loans (with or without interest or security), and assistance in kind and medical or other services necessary for the protection of health, safety, or welfare.

The term "civilian defense worker" is defined as any civilian (other than Federal employees receiving wages for such services) who is engaged in the Aircraft Warning Service, as a member of the Civil Air Patrol or of the U. S. Citizens Defense Corps in the protective services established from time to time by the Office of Civilian Defense, or persons registered in training courses prescribed and approved by the Office of Civilian Defense for such protective services. The expanded programs include civilians in the continental United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands. Aid under the allocation is to be available to civil personnel of the Federal Government to the same extent as

to other civilians. In determining the aid to be provided, any other Government benefit payments shall be taken into account, as far as may be practicable.

In accord with the President's letter, the Federal Security Agency Administrator on November 5 authorized the Social Security Board to pay disability benefits to the civilian defense workers and other civilians, as enumerated above, who have been injured in the performance of their civilian defense duties or who sustain injuries directly or proximately as the result of enemy action occurring after December 6, 1941; survivor benefits may be paid to survivors of such defense workers and other civilians who die from such injuries. Disability benefits are payable to persons aged 16 and over, after a waiting period of 7 days. Benefits for total disability are to be payable at a rate equal to two-thirds of the injured person's monthly earnings (including income from self-employment) with a minimum benefit of \$30 a month and a maximum of \$85. Benefits for partial disability, provided it is permanent and at least 30 percent of total disability, are to be payable at a rate bearing the same ratio to total-disability benefits as the partial disability bears to total. A beneficiary who is totally disabled and who requires the full-time services of an attendant may receive an additional allowance of not more than \$50 a month. A burial benefit of as much as \$100 is also payable. Suitable adjustments in benefits shall be made to take account of workmen's compensation or similar payments provided by any governmental jurisdiction. Survivor benefits payable under this expanded program are the same as those under the original program for civilian war benefits.

Neither disability nor survivor benefits under this emergency program will create any vested rights. Among other provisions, the authoriza-

tion specifies that benefits are not payable to persons living outside the United States, Alaska, Puerto Rico, and the Virgin Islands; to aliens and dependents of aliens who are in the employ of a foreign government; to persons and dependents of persons in military establishments of the United States or of any foreign government; to persons eligible for benefit for the same cause under the U. S. Employees' Compensation Act, as amended.

The Board is also authorized to extend its civilian war assistance program to the groups of persons specified above. Assistance payments, on a needs basis, will be made to all such persons who are not eligible or have not yet qualified for benefits or compensation under other programs.

UNEMPLOYMENT BENEFIT PAYMENTS totaled \$22.4 million in September, the lowest point for the year and 21 percent below the \$28.3 million paid out in August. All but a few States reported decreases, and for the States in the Great Lakes, North Central, Rocky Mountain, and Pacific Coast areas the declines were sharp. The largest amount of the benefit payments continued to be concentrated in a few States, with almost half the total expended in Illinois and New York. Because of the higher level of individual benefits in many States, total payments for the country as a whole were only 2 percent less than in September 1941. September payments represented compensation for 1.8 million man-weeks of unemployment, 21 percent less than the number compensated in August and 15 percent less than in September a year ago. The number of different individuals who have received at least one benefit check during the month was estimated at 544,000; this number was the lowest for any month this year and was 26 percent below that in August. Initial claims, which reflect new lay-offs among workers, declined 23 percent from the August level and were 41 percent less than in September a year ago.

More jobs were filled by the USES in September than in any other month since December 1933, when many men were being placed on public work projects. The 1.4 million placements represent a rise of 42 percent from August and of 26 percent from September 1941. There was a sharp seasonal spurt in farm placements, which rose to 748,000, more than double those in August and

almost a third more than in September 1941, the previous all-time peak. Approximately three-fourths of all the farm jobs filled during the month were in Arkansas, California, Mississippi, Tennessee, and Texas; more than half of all the jobs filled during the month were for cotton picking. Nonfarm placements, 649,000, rose only 1.5 percent above the August number but were 22 percent above that in September 1941. Only 23 States reported increases from August, and these were mostly important industrial States instead of predominantly agricultural areas as had been the case for a few preceding months. Although they did not reach the July 1942 figure, nonfarm placements represented, with that exception, the highest number for any month since 1935.

SEPTEMBER EXPENDITURES for public assistance and earnings under Federal work programs in the continental United States, amounting to \$105 million, were 34 percent below expenditures a year ago. Most of the decrease came in the general assistance and WPA programs under which payments fell, respectively, 30 and 56 percent. Payments for the special types of public assistance rose 8 percent for the same period; each of the programs shared in the rise, which was least for aid to dependent children. The number of recipients rose for both old-age assistance and aid to the blind, but for the first time on record the number of families receiving aid to dependent children was less than that in the same month of the preceding year. Of the total amount expended during September, 62 percent went to recipients of the special types of public assistance, 12 percent to general assistance cases, and 25 percent to WPA workers.

OLD-AGE AND SURVIVORS INSURANCE monthly benefits amounting to \$11.4 million were in force at the end of August for 626,000 beneficiaries, only slightly more in number and amount than at the end of July. The in-force figures were influenced by a decline of more than 5,000 in the number of monthly benefits awarded, a decline caused mainly by interruptions of adjudication and award procedures during the Bureau's decentralization. Benefits in conditional-payment status, 11 percent of the total number, rose slightly over July. Primary beneficiaries, 49

percent of all beneficiaries in August 1941, made up only 46 percent of the total at the end of August of this year.

Covered employment and taxable wages during the second quarter of 1942 reached the highest levels on record—36.8 million persons and \$13.2 billion. These estimates represent increases of 5 and 28 percent, respectively, from the figures for the same quarter in 1941. Average taxable wages per employee, estimated at \$358 for April-June 1942, represent a new peak, 5 percent above the average for the preceding quarter and 21 percent higher than that for the second quarter of 1941.

THE SCHEDULED increase in the rate of contributions under the Federal Insurance Contributions Act was postponed for the year 1943 by a provision in the Revenue Act of 1942, signed by the President on October 21. The new law holds the 1943 rate at 1 percent each for employers and employees and specifies that the increase to 2 percent shall be effective for 1944 and 1945.

THE REPORT of the Management-Labor Policy Committee of the War Manpower Commission was forwarded to the President early in November by the Chairman of the Commission, Paul V. McNutt, and released by the President on November 10. Reviewing the progress of manpower policy to date, the Committee's considered opinion is that "major weaknesses exist in the present approach to the over-all manpower situation, weaknesses that require immediate attention and correction, and which, if not corrected, will seriously impede the war effort."

"The problem," the Committee declared, "can be met only by prompt and vigorous action along several related lines. Losses of manpower from essential industries through needless migration and turn-over must be stopped. Transference of labor from less essential to more essential activities must be accelerated. Additional labor supplies must be mobilized, trained, and placed in employment. All workers must be fully employed at work requiring their highest skills."

To meet the immediate requirements, the Committee "urgently calls upon Government, industry, agriculture and labor for strong leadership, aggressive action, and maximum cooperation to bring about the following:

#### By Government

1. Centralized authority and responsibility for determination of the over-all manpower program.

2. Centralized authority and responsibility for the administration of the manpower program, which requires:

- (a) Transfer of the Selective Service System to the War Manpower Commission;

- (b) Cessation of voluntary enlistments;

- (c) Provision for special calls by the Army and Navy through the Selective Service System for men with specialized skills;

- (d) Coordination by the War Manpower Commission of military and civilian training programs conducted in nonmilitary educational institutions;

- (e) Establishment of a strong administrative and operating organization for the War Manpower Commission.

3. Implementation of the war manpower employment stabilization and migration control policy by wide public distribution, and by extension of the War Manpower Commission's authority to regulate hiring, rehiring, solicitation, and recruitment in labor-shortage areas.

#### By Management and Labor

1. Uniform acceptance of and compliance with the War Manpower Commission's policies and directives.

2. Elimination of wasteful labor turn-over in civilian war activities.

3. Acceleration in the rate of transfer from non-essential to essential activities.

4. Acceleration in the rate of mobilizing, training, and employing those who are presently unemployed but who are able to render service.

5. Maximum utilization of labor in a manner insuring maximum use of the skills and capacities of workers.

6. Accelerated rate at which men of the military age group, who are engaged in essential activities, can be released for service in the armed forces.

7. Elimination of all barriers, restrictions, or obstructions incidental to successful accomplishment of points 1, 2, 3, 4, 5, and 6 above."

With respect to the Manpower Chairman's request that the Committee consider "the fundamental questions of policy that must be solved as



a prerequisite to the preparation of an appropriate national war service law," the Committee goes on record as doubting "that conversion of the moral obligation to serve in the war effort, into a legal obligation to serve, will of itself solve the manpower situation. The problems of administering the manpower program," as outlined earlier in the report, "must be solved and enactment of a law will not solve them. The Committee has confidence that the voluntary and cooperative efforts of the people, under strong leadership on the part of Government, management, and labor, will provide the answer to this all-important war manpower problem."

Speaking before the Federal Advisory Council on Employment Security on October 29, Mr. McNutt declared that labor controls would soon be in effect in several industries—controls similar to those inaugurated in September in the non-ferrous metals and lumber industries and, on October 28, for the dairy, livestock, and poultry industries. Under the directive aimed to alleviate a shortage of essential farm workers in the latter industries, the Selective Service System is to request its local boards to reclassify and grant occupational deferment to dairy, livestock, and poultry farm workers who have been deferred on grounds of dependency. The local boards will also be asked to grant occupational deferment to dairy, livestock, and poultry farmers and farm hands who are not eligible for deferment on grounds of dependency but are "necessary men" for whom replacements are not available. Such workers would be subject to reclassification as soon as they ceased to perform the necessary work for which they had been deferred. The Army and Navy have agreed to refrain from recruiting these essential workers or producers, accepting them for voluntary enlistment, or initiating programs to encourage their enlistment in areas where critical shortages of such workers exist. Government agencies placing contracts were asked to instruct

contractors and subcontractors not to employ skilled workers from these industries. The Department of Agriculture is to act toward stabilizing wages on dairy, livestock, and poultry farms to assist farmers in getting and maintaining an adequate supply of labor.

The President's Committee on Fair Employment Practice, recently transferred to the War Manpower Commission, was designated October 27 as the operating agency within the Commission to deal with all questions relating to discrimination based on race, creed, color, national origin, or alienage.

A MAJOR STEP in stabilizing living costs was taken by the President on October 3, with the signing of an Executive Order (No. 9250) creating in the Office for Emergency Management an Office of Economic Stabilization, headed by an Economic Stabilization Director. The order establishes an Economic Stabilization Board in the Office of Economic Stabilization, with which the Director is to advise and consult. This Board consists of the Secretaries of the Treasury, Agriculture, Commerce, Labor, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the Bureau of the Budget, the Price Administrator, the Chairman of the National War Labor Board, two representatives each of labor, management, and farmers, and the Director who serves as Chairman. Associate Justice James F. Byrnes was named Director.

The Director, with the approval of the President, is to formulate and develop a comprehensive national economic policy relating to the control of civilian purchasing power, prices, wages, salaries, rents, profits, rationing, subsidies, and all related matters, for the purpose of preventing avoidable increases in the cost of living; he is also authorized to cooperate in minimizing the unnecessary migration of labor from one business, industry, or region to another.

# Desirability of Expanding the Social Insurance Program Now

A. J. ALTMAYER \*

THE SOCIAL SECURITY ACT of 1935 established two social insurance programs: one provides protection against permanent loss of income as a result of old age; the other, protection against temporary income loss resulting from unemployment. Amendments in 1939 added protection for survivors against cessation of income resulting from the death of the wage earner and provided allowances for dependents of recipients of old-age benefits. Most employees in industry and commerce are covered by these systems.

While greatly furthering individual and family security, the present system still fails to provide protection against several major economic hazards confronting every individual, notably income loss resulting from temporary and permanent disablement and heavy costs incurred for hospitalization and medical care. It also omits from the scope of even its present protections a substantial proportion of the Nation's workers. Moreover, benefits payable under existing programs are admittedly inadequate at various points.

## *Timeliness of Expanding Social Insurance*

Because of the economic dislocations which may characterize the aftermath of the war, it is important to provide greater security against economic risks to workers and their families by remedying these deficiencies and strengthening our social insurance system before that time. Unless action is taken now, there is grave danger that the post-war period will arrive before a well-rounded system has been put in operation. It may then be impossible to install the necessary measures sufficiently rapidly to care for the urgencies of the moment, and we might have to face emergency problems with hastily improvised devices.

The obvious question which will occur to many—who may agree with the inherent desirability of having a comprehensive social insurance system available at the end of the war—is whether the present is a practical and appropriate time for

such action. The enormous outlays and the vast administrative undertakings now necessary for the prosecution of the war may appear to suggest that action be deferred, regardless of other consequences.

The answer to this question—entirely apart from the social gains involved—is that expansion of the social insurances would be more appropriate now from the standpoint of the Nation's economic and fiscal circumstances than at any time since 1935 or for some time to come.

Two of the major economic problems of the war effort are to control inflation and to obtain revenues through taxation or borrowing or both. Because of the accumulation of reserves which characterizes the early stages of social insurance systems, new or expanded, and the operation of such systems in a period of high employment such as now prevails, immediate expansion of our social insurance system would contribute substantially toward meeting these economic problems. The enlarged excess of contributions over disbursements which would accompany the early phase of social insurance expansion would reduce current purchasing power and serve as a potent force in the fight against inflation. Investment of the excess in Government obligations would make corresponding sums available to the Treasury. These investments would aid in financing the war just as do the war savings bonds purchased by individuals.

Thus, a measure can be taken now which will provide the basis for a better society after the war and at the same time will serve the general economic and fiscal needs of the moment.

## *Content of an Expanded Program*

Before examining the possible contribution of social insurance expansion to these problems, it is desirable to outline briefly the general nature of the changes which should be made in the present system. In the first place, new types of protection should be added: (1) benefits for permanently dis-

\*Chairman, Social Security Board.

abled workers and for their dependents, irrespective of the worker's age and generally similar in amount to old-age benefits; (2) benefits for workers temporarily disabled through illness or injury and for their dependents, payable for a limited number of months and more or less similar in amount to unemployment benefits; and (3) payments with respect to hospitalization costs incurred by insured workers or their dependents.

A second part of the expansion should be the extension of social insurance coverage to occupations now excluded from even the present programs. Among the major occupations not now covered at all or only partially covered under the existing system are agricultural labor, domestic service, employment in certain nonprofit organizations, governmental service, maritime employment, employment in small firms, and self-employment—that is, the work of an individual who is in business or trade for himself. It would be desirable, so far as it is administratively and otherwise feasible, to extend both the present and the proposed new protections to these groups.

Expansion should provide, in addition, for more nearly adequate benefits under existing programs. This end could be achieved by increasing the maximum duration of unemployment benefits, shortening the waiting period, introducing dependents' allowances, and increasing benefit amounts. An adjustment in the formula for computing old-age benefits and a lower retirement age for women under old-age and survivors insurance might also appropriately be included.

### ***Post-War Considerations***

Because of the manner in which benefit and eligibility rights are accumulated in advance of the receipt of benefits under social insurance, the contributory nature of its financing, and the automatic processes inherent in its operation, it is inevitably destined for an important role in the post-war period. The only basic question is whether a comprehensive system should be set up now, so that benefits will be immediately available at the end of the war to assist in alleviating the hardships of that period, or whether changes should be delayed until these hardships are actually occurring for millions of families.

Provided expansion is undertaken now, social insurance can play a dual role in the economic readjustment and reconstruction that will be neces-

sary when the war ends. On the one hand, it can provide protection to individuals and families against the loss of income which they may suffer for one reason or another after the war, when a decline from the high levels of wartime production would increase greatly the incidence of risks leading to such losses. On the other hand, from the standpoint of the economic system as a whole, social insurance can aid in maintaining consumer purchasing power if national income exhibits a tendency to shrink and thus can assist in maintaining employment at higher levels.

Under an expanded program, more nearly adequate benefits would be available to support the unemployed and their dependents until they can get new employment in peacetime production. More nearly adequate annuities would be paid to aged workers who, though they normally might have retired, remained at work until the end of the war. Permanently disabled persons, too young to be eligible for old-age benefits, would for the first time be able to obtain similar benefits. Workers who are temporarily disabled would be eligible for weekly benefits until they are able to return to work. When sickness entails hospitalization, payments would be available to ease the heavy burden of the cost. Finally, the widows, orphans, and other survivors of workers who die would continue to receive benefits which would, in large measure, replace their loss of support.

The general sense of security which would result from the continuity of income provided by these various types of protection would provide a better life for the great mass of people. Knowledge that these programs are in operation would give a sense of security to all who are protected, a sense of security which is the most potent antidote to fears and worry over the uncertainty of the times. Viewed from the present, therefore, the post-war period would not be anticipated with fear and apprehension because of the readjustments that will be inevitable but as a period when the economic sacrifices made during the war will seem to have been worth while.

The economic effect of an expanded program upon the economy as a whole during the post-war period will depend largely upon the relation of disbursements to contributions. Social insurance benefits represent active purchasing power used immediately for consumption goods. Social insurance contributions in the main come out of



income otherwise used for consumption. Thus, the extent to which the social insurance program as a whole will give a stimulus to the economy after the war will depend on the extent, if any, to which disbursements exceed receipts in that period. The net balance between receipts and disbursements will vary widely according to the levels of post-war production and employment. If employment declines sharply after the war, the need for a strong social insurance system will be critically urgent. Even if our economy stays geared for the long run to high levels of employment, many millions of workers and soldiers may be temporarily unemployed while we are changing over from a war to a peacetime economy. It is precisely in such circumstances that disbursements under an expanded program will be most likely to exceed receipts and will be most useful in sustaining general purchasing power.

#### **Contribution Rates**

The question now arises as to the over-all rate of contribution which, from the standpoint of sound principles of social insurance financing, should be imposed at the outset of an expanded program.

The permanent level of dollar disbursements under insurance against unemployment, temporary disability, and hospitalization would be approached within a relatively few years because these programs deal with "current" risks. In contrast, disbursements under old-age and permanent disability programs (except survivor benefits) would rise steadily but relatively slowly over a number of decades, since they cover "deferred" risks which generally materialize late in the lives of the contributors.

It would be unwise to fix the portion of the over-all contribution rate for the deferred-risk programs on the basis of a simple projection of recent benefit disbursements under the present old-age and survivors insurance program. Many eligible claimants are now postponing retirement because of wartime employment. It is estimated that by the middle of 1946 nearly 2 million workers and their wives will be receiving or will be eligible to receive benefits. The materialization of this tremendous potential benefit cost at the end of the war, coupled with the inevitable long-term rise in costs—as all the first generation of contributors gradually reach old age—suggests that a

sound compromise must be sought between excessive financial conservatism and undue disregard of the large additional liability now accruing daily.

On the basis of these considerations, a total basic contribution rate of 10 percent of pay roll for employments covered under all protections is indicated for the first years of the program outlined above. For employments omitted from the coverage of some of the protections, an appropriate downward adjustment in the basic rate would be necessary. A 10-percent rate would be double the total basic rate levied in 1942 for old-age and survivors insurance and unemployment compensation combined.

#### **Receipts and Expenditures**

The suggested contribution rates would produce receipts substantially in excess of disbursements in the first years of the expanded program. This excess would result from the operation of various factors: temporary deferment of benefit payments under the new programs to permit accumulation of benefit rights and organization of administrative machinery; delay in filing claims and accumulating the normal load of benefits typically experienced under new social insurance programs; continuance of wartime pay rolls at levels above the average pay rolls to be expected through the cycle on which the percent-of-pay-roll computations underlying the 10-percent rate are based; and, finally, the small volume of unemployment and the postponement of retirement accompanying wartime employment.

An excess of receipts over outgo is both necessary and inherent in the introduction of a soundly financed new or expanded system of social insurance. If the excess comes at a time when employment and purchasing power are at a low level, such an excess may be injurious to the national welfare. At a time like the present, when one of the great dangers is that inflationary forces may get out of hand, an excess of receipts over outgo can be of considerable aid in combating such forces—even though, in the last analysis, this fiscal effect of the program is an incidental by-product of its primary objective—to enhance the economic security of individuals and families.

In accordance with past practice which has met with general approval, the increased assets of social security trust funds under an expanded program should be invested in obligations of the

United States Government. Thus, another by-product of an expanded social insurance program would be the provision of additional sources from which the Treasury can borrow without contributing to actual or potential inflationary forces. It is unnecessary to dwell on the contribution to the war effort which can be made at this time by expansion of Treasury facilities for borrowing.

While adhering firmly to accepted principles of social insurance financing, immediate expansion of the social insurance program along lines strongly dictated by social needs would thus lead to a substantial increase in reserves. Investment of these additional reserves in Federal obligations would make funds in corresponding amount available to the Treasury. These obligations would be credits available to the social insurance program, to be drawn upon later as required to meet benefit disbursements.

### ***War-Revenue Requirements***

A revised estimate of \$85 billion for expenditures by the Federal Government in the fiscal year 1942-43 was issued on October 7 by the Bureau of the Budget. After taking into account net budget and trust-account receipts and borrowing from Government trust accounts under existing legislation, it is estimated that during the fiscal year 1942-43 the Treasury will have to obtain approximately \$60 billion over and above expected income to finance expenditures.

The deficit amount will have to be obtained either through additional taxation or by borrowing from individuals and banks. It is generally recognized that financing the war through potentially inflationary measures, such as borrowing from commercial banks, should be kept to the lowest possible level. If excessive reliance on bank borrowing is to be avoided, additional funds beyond those now provided must be transferred from the hands of the public into the Treasury.

The first question in considering methods of attaining the Treasury's necessary goal is whether or not the imposition of further levies should be accompanied by some type of post-war return. To the extent that additional funds are obtained through outright taxation, no such return is provided. Expansion of the social insurance system or the introduction of a compulsory lending plan would, however, involve additional levies which would provide a return to the lender after the

war. Because of the heavy tax burdens added by the Revenue Act of 1942, the further sacrifices which will result from longer hours and curtailment of consumption, and the stimulating effect of spending in the post-war period which would be made possible by credits built up during the war, there is much to be said for the argument that some type of post-war return should be included in further levies on the public. This is particularly the case since any additional levies which are made during the war may be expected to fall heavily on low-income groups.

The increased revenue accompanying an expansion of the social insurance program differs from other types of taxation in that a post-war credit is provided to contributors. It resembles compulsory lending plans to that extent, but it differs from such lending plans in that the post-war return is in the form of insurance protection rather than lump-sum amounts.

Use of the insurance principle means that payments are guaranteed to those who suffer the insured risks rather than to everyone including those whose normal income is not interrupted after the war. Moreover, under social insurance, the size of individual payments is geared to presumptive need, so that they can be much more nearly in accord with the needs of those who suffer misfortune than is possible under a system of compulsory lending, under which repayments are determined by the individual amount lent. In other words, the fact that risks do not eventuate for all persons makes it possible to pay out considerably more to those for whom they do occur than would be possible under a compulsory savings plan. In both cases, the group of participants as a whole may ultimately receive back the same aggregate amount, but the manner in which this total amount is distributed among the recipients differs.

To advance as an argument in support of an expansion of social insurance—a desirable and timely step on its own merits—that the increase in net receipts in the early years would aid the Treasury in financing the war should not be understood as advocating diversion of social security taxes to general revenue purposes. The increased collections, as in the past, would still flow into trust funds, rather than into the general fund of the Treasury; their investment in interest-bearing Government obligations would still be manifested

by a corresponding rise in the public debt; and—most important of all—contributors would receive benefit rights, and such benefit rights would be a full “money’s worth” per dollar contributed.

In view of these considerations, immediate expansion of the social insurance program would seem to be well adapted as a part of a well-rounded program for financing the war. It would not, of course, be a substitute for all other measures but would serve to complement them.

### ***Anti-Inflationary Effects***

Immediate expansion of the social insurance program would, as has been indicated, contribute to the solution of current problems of war finance not only through the raising of funds but also by the assistance rendered to the anti-inflation program.

The dangers of inflation resulting from the increase of national income to unprecedented heights and the concurrent decrease in goods available for civilian purchase as a result of diversion of raw materials, labor, plant capacity, and transportation facilities to war production are a matter of common knowledge. It is estimated that, in 1943, income payments may be in the neighborhood of \$125 billion. After the probable amounts which will be saved or paid in direct personal taxes are taken into account, it seems likely that there will exist a substantial gap between the value of the goods and services available for civilian consumption and the funds available for the purchase of these goods. Administrative controls such as price ceilings cannot alone be relied upon to prevent inflation unless the huge excess of consumer purchasing power is reduced through other measures, and particularly fiscal measures.

The contribution which expansion of the social insurances at this time might make to the control

of inflation results from the fact that new or expanded social insurance programs are usually deflationary in the first phase of their operations. During this phase, in which benefit rights and reserves are being accumulated, contributions exceed expenditures to a substantial degree. If, in addition, the period in which the new or expanded program is introduced is one of high employment, as is the case at present, its anti-inflationary influence is greatly increased.

If immediate action were taken to expand the social insurance program, the prospective inflationary gap would be appreciably narrowed by siphoning off a substantial portion of consumer income. Such action would assist in making effective a fiscal policy designed to secure a stronger framework for direct administrative price controls. Persons contributing to social insurance, by foregoing, for the present, use of increased incomes resulting from greater productivity and full-time employment, would not sacrifice these gains permanently through taxation or dissipate them in higher prices. Rather, a part of their current income would be diverted to the purchase of protection against present and future risks of economic insecurity for themselves and their families.

In summary, expansion of social insurance is urgently required now to provide security against the uncertainties arising out of the war. Changes in our economic life caused by the war increase the potential economic risks facing individuals and their families, and emphasize the need for an adequate system of insurance to allay fear of the future and provide the security essential for an all-out effort. Taking this socially desirable action now would not interfere with the war effort but would assist in alleviating the pressing economic problems of raising more funds for the war and of checking inflation.



# Pensions and Compensation to Veterans and Their Dependents

FRANKLIN M. AARONSON \*

*The Social Security Board has been developing a series which gives, by months, the number of beneficiaries and the amounts paid under the various social insurance programs in this country. From time to time, as statistics become available and are analyzed, data on additional programs are added to the series. Beginning with this issue of the Bulletin, data relating to payments made to veterans of the armed forces of the United States and to their dependents have been included in the series. The cooperation of the Veterans Administration in furnishing information concerning their operations and in reviewing this article is gratefully acknowledged.*

PUBLICLY ADMINISTERED social insurance systems in the United States provide protection to large groups of our population against insecurity resulting from unemployment, disability, old age, or death of the primary wage earner. Although the systems provide protection against different types of economic insecurity and vary considerably in the adequacy of such protection, one fundamental provision underlies all of them: the right to payments is based on the fact of past employment or service. The period of service which qualifies an individual for payments ranges from the 1-day-or-less requirement for workmen's compensation to the 30 to 35 years necessary to meet the qualifying provisions of some of the retirement systems.

Social insurance protection as it exists today is the result of the growth of many separate systems. Some individuals receive protection under several systems, while others are not covered by the provisions of any system. This uneven coverage can be attributed to many factors, among the more important of which are the slow growth in public awareness of the need for comprehensive social security protection, the special needs or claims of certain groups, and the administrative difficulties involved in operating a system providing protection for all groups of the population.

Payments made to disabled or injured veterans or to their surviving dependents, based on service in the armed forces of the United States, represent the oldest type of public pension payments made in this country. On the Federal level, such pay-

ments began under the act of September 29, 1789,<sup>1</sup> but even before that time certain of the Colonies had made provision for benefits to soldiers who were injured or to the families of those who died in frontier warfare. For example, in 1636 the Pilgrims at Plymouth enacted in their court that any man who should be sent forth as a soldier and returned maimed should be maintained competently by the Colony during his life. This was probably the first pension law passed in America. Similar acts were passed in Virginia, Maryland, New York, and Rhode Island.

The first national pension law, that of August 26, 1776, promised one-half pay for life or during disability to every officer, soldier, or sailor who lost a limb in any engagement or was so disabled in the service as to be rendered incapable of earning a livelihood. Since the date of this first national law, thousands of public and special acts providing pensions, compensation, and disability allowances<sup>2</sup> to veterans and their survivors have been passed by Congress, and, in addition, hundreds of regulations have been issued relating to the administration of these laws.

The earliest veterans' pension laws were in effect disability pension systems, limited in scope, and providing relatively small benefits. Subsequent

<sup>1</sup> Payments under national pension law of Aug. 26, 1776, were made by the States, which were responsible for the execution of the law.

<sup>2</sup> "Compensation" is applied in the legislation to monetary benefits payable on account of service-connected death or disability resulting from service in World War I; non-service-connected benefits paid on the basis of service in World War I were termed "disability allowances" until the act of March 20, 1933, repealed the legislation providing these benefits. Benefits for service in periods other than World War I are termed "pensions;" the term is also applied to non-service-connected benefits paid to veterans of all wars.

\*Division of Coordination Studies, Bureau of Research and Statistics.

legislation broadened the coverage to include disabilities of lesser degree and provided for certain classes of dependents of deceased veterans. This legislation was followed by laws which allowed payment to be made for disabilities not incurred in or as a result of service, and finally service itself was the only basis needed to qualify for benefits.

The legislation on the statute books which relates to wars prior to the Spanish-American War is now of slight importance in practical application and need not be examined in any detail here, but historically it furnishes the basis for many of the provisions in force today and is therefore of general interest. Once the veterans of any war are allowed payments of a more liberal nature, it is difficult not to extend such benefits to veterans of subsequent and prior wars.

Inasmuch as the Continental Congress was without money or real executive power, the execution of the act of August 26, 1776, was entrusted to the States and was, therefore, as effective as they chose to make it. From the date of the enactment of this first national law, provisions for veterans' pensions became increasingly more liberal with regard to the size of the payments as well as the types of benefits provided. Subsequent legislation relating to the armed forces serving in the Revolutionary War extended the provisions of the act of 1776 to widows and orphan children (1780); payments for full pensions of a private were increased from \$5 to \$8 per month (1816); a limited-service pension was granted in 1818 for all who had served until the close of the war or for a term of 9 months or longer and were in need of assistance; and in 1832 a pension law was passed which provided for payments to certain remaining veterans of the Revolutionary War who had served 6 months or more in the armed forces.

During the 80-year period between the end of the Revolution and the beginning of the Civil War, provision was made for a regular military establishment, and the armed forces of the United States engaged in three wars, the War of 1812, the Indian wars, and the Mexican War. The act of April 30, 1790, to regulate the military establishment included pension provisions for the regular armed forces. These provisions as liberalized under the acts of March 16, 1802, and April 24, 1816, included half pay for officers, \$8 or less for service-connected disability payments to noncom-

missioned men, and half pay to widows and children under 16 of veterans who died of service-connected injuries. Some laws were passed later concerning pensions for the Regular Establishment, but until the general pension law of 1862 the provisions for benefits changed only in minor details.

Prior to the Civil War the laws authorizing the raising of volunteers or the use of militia also provided that the pension provisions then in effect should be extended to such forces. This type of action was taken for the War of 1812, the Indian wars, and the Mexican War. Subsequent legislation was passed affecting these veterans, and at the time of the Civil War veterans of all these wars were on an equal footing with regard to pensions. Pensions payable on the basis of service only were not provided for veterans of the War of 1812 until 1871, when most of the surviving veterans would have been well over 65 years of age; for the Mexican War, such pensions were made available in 1887; and for veterans of Indian wars, in 1892.

Beginning with the Civil War period, legislative provisions for veterans' pensions were liberalized still further, and, because of the size of the forces engaged in that war, the size of the pension load increased considerably. One of the most important laws concerning pensions for military service was the so-called general pension law enacted July 14, 1862. As amended, this law, which covered service on or after March 4, 1861, governed pensions for service-connected disability or death until the enactment of the World War legislation, and until the act of March 20, 1933, which repealed all pension laws relating to service subsequent to April 21, 1898, it was still a basic statute. The general pension law made more nearly uniform the provision for pensions; increased the rates for disabilities, including those based on service in former wars; made more liberal provisions for widows and children; and for the first time made provision for dependent mothers and dependent orphan brothers and sisters. As amended (July 4, 1864), the law included a new principle in pension provisions, that of fixed rates for certain specific disabilities, such as the loss of a hand or foot; monthly payments for such specific disabilities ranged from \$15 to \$100.

Other legislation of interest relating to the Civil War is the Arrears Act of January 25, 1879, which made payments to veterans of that war effective

as of the date of death or discharge of the person on whose account the pension was granted; in consequence, retroactive payments amounting to thousands of dollars were allowed in individual cases. An act of 1890 provided a limited-service pension for veterans and widows and children of deceased veterans of the Civil War, in which payments were provided without requiring service connection of the cause of the disability or death.

The provisions in effect under the general law as amended were extended to cover the veterans of the Spanish-American War.<sup>3</sup> Later legislation relating to these wars provided payments for disabilities of a non-service-connected origin and pensions at age 62. Legislation of later years generally relates to wars beginning with the Spanish-American War, but these laws have not reduced, except temporarily in 1933, the size of benefits or scope of the provisions.

The law of October 6, 1917, making provision for members of the armed forces engaged in World War I was a radical departure from the general pension system, which still remained in effect in its application to previous wars. In the absence of new legislation the general pension system pertaining to service-connected disabilities would have applied to veterans of World War I. In this new law the idea of compensation for disabilities was introduced to replace the pension concept of payments, and a schedule of ratings of reductions in earning capacity was set up, which was based "as far as practicable, upon the average impairments of earning capacity resulting from such injuries in civil occupations and not upon the impairment in earning capacity in each individual case." As a whole, the compensation allowances were generally on a more generous scale than the invalidity pensions under the general law system. The compensation of a disabled veteran was fixed in proportion both to the degree of impairment of his earning capacity and to the size of the dependent family. Compensation for widows and children was also proportional to the size of family.

The year 1933 marked an important change in the provisions for benefits to veterans of all wars, beginning with the Spanish-American War. By the so-called Economy Act of March 20, 1933,<sup>4</sup>

all public laws granting pensions, compensation, and disability allowances for veterans of wars and the Regular Establishment subsequent to 1898 were repealed. This act set forth the basic conditions for entitlement to benefits and provided the minimum and maximum monthly rates for disability and death benefits. It further directed the President to fix the rates of payment for disability or death and, in fixing these rates, to make "such differentiation as he may deem just and equitable in the rates to be paid to veterans of different wars and for their dependents."

Pursuant to the provisions of this act, the President promulgated 12 regulations covering the whole field of veteran benefits. These regulations established the following principles:

1. To pay the most liberal rates of pension and to furnish medical, hospital, and domiciliary care to veterans disabled, and to grant pensions to the dependents of veterans who died as a result of injury or disease incurred or aggravated in the military or naval service in time of war;
2. To grant pensions and to furnish medical, hospital, and domiciliary care to veterans disabled, and to grant pensions to the dependents of deceased veterans who died as a result of injury or disease incurred or aggravated in the military or naval service in peacetime;
3. To grant pensions to war veterans permanently and totally disabled and in need; to furnish medical, hospital, and domiciliary care to permanently disabled war veterans, including those suffering from tuberculosis and neuropsychiatric ailments incapacitated for earning a living and who have no adequate means of support; and, except as to rates, to continue a preexisting provision for pensions to widows and children of deceased Spanish-American War veterans who have died as a result of injury or disease not connected with the military or naval service.

The net effect of the law of March 20, 1933, and the subsequent regulations was to eliminate certain types of benefits and to reduce the rates allowed for other types, but legislation passed in 1934 and 1935 restored many of the former provisions.

The act of December 19, 1941, which amended Veterans Regulation 1 (a) promulgated pursuant to the act of March 20, 1933, provides for payments to veterans of World War II for service-connected disabilities. This amending act, insofar as it relates to veterans, reads as follows:

Any veteran otherwise entitled to pension under the provisions of part II of this regulation [Veterans Regulation 1 (a)] or the general pension law shall be entitled to receive the rate of pension provided in part I of this regulation, if the disability resulted from an injury or disease received in line of duty (1) as a direct result of

<sup>3</sup> As used throughout the article, Spanish-American War includes the Philippine Insurrection and the Boxer Rebellion.

<sup>4</sup> Public, No. 2, 73d Cong.



armed conflict, or (2) while engaged in extra hazardous service, including such service under conditions simulating war, or (3) while the United States is engaged in war.

In effect, this act provides that wartime rates will be paid for service-connected disabilities, incurred in line of duty as defined, to peacetime veterans under (1) and (2) and to veterans of the present war under (3).

The act further provides that dependents of deceased veterans whose death resulted from injury or disease in line of duty under the conditions specified above in (1), (2), and (3) shall be entitled to payment at the rates provided for dependents of World War I veterans who died as a result of service-connected injuries.

Provisions in effect at the present time allow for benefits for service-connected disabilities to be paid to the veterans of all wars,<sup>5</sup> including World War II, and to veterans of the peacetime services. In case of death, payments are made to the dependents of these veterans.

Non-service-connected disability and death payments are available to veterans and widows and children of deceased veterans of the Indian wars, Civil War, Spanish-American War, and World War I. The laws relating to payments for peacetime service do not authorize non-service-connected disability payments, and no pension is payable to veterans of the present war for non-service-connected disabilities.

The expansion of the armed forces for World War II will cause a large increase in the beneficiary load under present provisions, although it is too early to determine what the future course of legislation for veterans of this war will be. Various proposals now before Congress would enable members of the armed forces who were covered by social insurance systems prior to their induction into the armed forces to retain that coverage by appropriate action. If enacted, the legislation would have some effect on the growth of veterans' benefits. This is the first war since the inauguration of a large-scale social insurance system such as that provided in the Social Security Act, and it may, therefore, be possible to coordinate or

integrate the provisions and operations of the various systems, including veterans' provisions, to furnish adequate protection to the members of the armed forces without at the same time imposing a tremendous new load of veterans' payments for non-service-connected disabilities on the present veterans' system.

Charts 1 and 2<sup>6</sup> set forth the major provisions now in force for benefit payments to veterans and their dependents for all service beginning with the Spanish-American War. Payments made currently on the basis of wars prior to 1898 are of little importance in total current payments.

### *Administration*

The act of August 26, 1776, which provided payments to disabled veterans of the Revolutionary War, left the administration of the program in the hands of the Colonies. The acts of 1789 and 1790, by which the Federal Government assumed responsibility for payments to eligible veterans, provided that the payments were to be made under such regulation as the President might direct. Accordingly, the President placed the administration of these laws under the jurisdiction of the Secretary of War, although Congress still retained control of the actual allowance of claims. Under the law of February 28, 1793, judges of the United States district courts, or commissioners appointed by them, reviewed the evidence in support of claims and submitted it to the Secretary of War, who transmitted it to Congress for final adjudication. The amount of detail involved finally forced Congress to give the Secretary of War power to make the final decision in the allowance of claims.

On March 2, 1833, a law authorizing the appointment of a Commissioner of Pensions in the Department of War was passed, and in 1849 the position was made permanent and the functions were transferred to a Bureau of Pensions in the Department of the Interior.

The act of October 6, 1917, providing for payments to veterans of World War I established the Bureau of War Risk Insurance in the Treasury Department. This Bureau was charged with the responsibility of administering the provisions pertaining to death and disability compensation,

<sup>5</sup> In general, the provisions of veterans' legislation cover both enlisted men and commissioned officers and their dependents, and payments made are based on degree of disability without regard to rank. However, the retirement systems for officers and enlisted men of the Regular Establishment provide payments for age and disability which are based on length of service and rank. When a veteran is eligible for payment under both systems he has the option of choosing the higher payment. Payments are not made to dependents under the retirement system of the Regular Establishment.

<sup>6</sup> Developed by Harry Malisoff, a former member of the Division of Coordination Studies, in connection with a review of legislation relating to pensions and compensation for veterans of the Spanish-American and subsequent wars.

Chart 1.—*Eligibility conditions and monthly amounts payable to veterans, by type of payment, period of service,<sup>1</sup> and class of veteran*  
[Corrected to November 1943]

Eligibility condition and class of veteran	Service-connected payments			Non-service-connected payments		
	World War I <sup>1</sup>	Spanish-American War <sup>1</sup>	Peace-time service <sup>2</sup>	Spanish-American War <sup>4</sup>	World War I <sup>1</sup>	Spanish-American War <sup>1</sup>
<b>Eligibility condition (other than disability and age)</b>						
Minimum period of active service.....	No.....	No.....	No.....	No.....	No, or 90 days <sup>5</sup> .....	No, or 90 days <sup>5</sup> .....
Honorable discharge.....	No.....	No.....	No.....	No.....	Yes.....	Yes.....
Disability not due to misconduct.....	Yes <sup>1</sup> .....	Yes <sup>1</sup> .....	Yes.....	Yes <sup>1</sup> .....	Yes.....	Yes.....
Maximum annual income.....	No.....	No.....	No.....	No.....	\$1,000 if unmarried, \$2,500 if married or with minor children. <sup>6</sup>	No.....
<b>Class of veteran</b>						
<b>Disabled veterans<sup>7</sup></b>						
Receiving specific payment: <sup>10</sup>						
For anatomical losses.....	\$8-285.....	\$10-250.....	\$7.50-187.50.....	\$8-125.....	\$40.....	\$20-60.....
For additional losses.....	\$100-200 <sup>11</sup> .....	\$100-250 <sup>11</sup> .....	\$112.50-187.50 <sup>12</sup> .....	\$40-125, <sup>14</sup> .....		
For helplessness requiring regular aid and attendance.....	\$25 or \$35 <sup>13</sup> .....	\$35 <sup>14</sup> .....	\$18.75, <sup>15</sup> .....	\$50 or \$72 <sup>17</sup> .....		
Receiving general payment: <sup>16</sup>						
For partial permanent disability.....	\$10-60 <sup>18</sup> .....	\$10-90 <sup>18</sup> .....	\$7.50-67.50 <sup>19</sup> .....	\$6-24 <sup>20</sup> .....	No special provision.....	\$20-50 <sup>21</sup> .....
For partial temporary disability.....	\$8-70.20 <sup>18</sup> .....	No special provision.....	No special provision.....	No special provision.....	No special provision.....	No special provision.....
For total permanent disability.....	\$100.....	\$100 (total) <sup>22</sup> .....	\$73 (total) <sup>23</sup> .....	\$30.....	No special provision.....	No special provision.....
For total temporary disability: <sup>24</sup>						
Without dependents.....	\$80.....	No special provision.....	No special provision.....	No special provision.....	No special provision.....	No special provision.....
With dependents.....	\$90 and over <sup>25</sup> .....	No special provision.....	No special provision.....	No special provision.....	No special provision.....	No special provision.....
Pension to nondisabled veterans based on age.....						

<sup>1</sup> Covers Spanish-American War (including Philippine Insurrection and Boxer Rebellion), World War I (including Siberian Expedition), and World War II. Where 1 period of service appears in 2 columns for same type of payment, veterans of such service may qualify for or receive payment under either set of provisions.

<sup>2</sup> Payments made under act of Mar. 28, 1934 (Public, No. 141, 73d Cong.) as amended, and Veterans Regulations.

<sup>3</sup> Payments made under act of Aug. 13, 1935 (Public, No. 269, 74th Cong.) as amended.

<sup>4</sup> Payments made under act of Aug. 13, 1935 (Public, No. 269, 74th Cong.) as amended; act of May 24, 1938 (Public, No. 541, 75th Cong.). Latter act applies only to veterans with 90 days' service and provides for payments to helpless veterans and to veterans over 65 years of age.

<sup>5</sup> 90 days not required if veteran was discharged before 90 days for disability incurred in line of duty.

<sup>6</sup> Unless veteran suffers from service-connected paralysis, paresis, or blindness, or is helpless or bedridden due to any disability.

<sup>7</sup> Applies only to disabled veterans.

<sup>8</sup> Maximum amounts attained through combination of specified and additional allowances.

<sup>9</sup> Both rate and disability specified in statute.

<sup>10</sup> \$100—certain conditions specified as permanent.

<sup>11</sup> \$150—loss of use of both eyes; \$200—both eyes and a limb, double total permanent disability, or combinations of preceding losses.

<sup>12</sup> \$150—loss of hands, feet, or 1 hand and 1 foot; \$175—both hands and 1 foot, both feet and 1 hand, or blindness in both eyes, having only light perception; \$200—blindness in both eyes, having only light perception, and loss of 1 hand or foot; \$250—combinations of preceding losses.

<sup>13</sup> \$112.50—loss of use of both hands or feet, or 1 of each; \$131.25—both hands and 1 foot, both feet and 1 hand, or blindness in both eyes, having only light perception; \$150—blindness in both eyes and loss of hand or foot; \$187.50—combinations of preceding losses.

<sup>14</sup> See *Veterans' Benefits*, H. Doc. 300, 77th Cong., pp. 8-9.

<sup>15</sup> \$25—loss of creative organ; \$35—loss of use of 1 or both hands or feet.

<sup>16</sup> Loss of use of hand, foot, or eye in addition to other payments for total or less disability.

<sup>17</sup> \$50—frequent and periodic aid and attendance; \$72—regular aid and attendance.

<sup>18</sup> Amounts represent percentages of compensation that would be payable for disability equal to degree of reduction in earning capacity resulting from disability; no compensation payable for reduction rated at less than 10 percent.

<sup>19</sup> \$10 for each 10 percent of disability rating between 10 and 90 percent.

<sup>20</sup> \$7.50 for each 10 percent of disability rating between 10 and 90 percent.

<sup>21</sup> Amounts paid by degree of disability are: 10 percent—\$6; 15 percent—\$8; 20-25 percent—\$10; 25-35 percent—\$12; 35-50 percent—\$14; 50-75 percent—\$17; 75 percent—\$24.

<sup>22</sup> Amounts paid by degree of disability are: one-tenth—\$20; one-fourth—\$25; one-half—\$35; three-fourths—\$50.

<sup>23</sup> Amounts paid by degree of disability are: one-tenth—\$12; one-fourth—\$15; one-half—\$18; three-fourths and over—\$24.

<sup>24</sup> \$90 for self and wife and \$5 for each child; if no wife, \$90 for self and first child and \$5 for each other child; each parent, \$10.

<sup>25</sup> Payable to veterans on pension rolls Mar. 20, 1933. Payments as of that date continued if below \$15, otherwise reduced to \$15.

Chart 2.—*Eligibility conditions and monthly amounts payable to survivors of veterans, by type of payment, period of veterans' service,<sup>1</sup> and class of survivor*

[Corrected to November 1942]

Eligibility condition and class of survivor	Service-connected death payments			Non-service-connected death payments		
	Spanish-American War <sup>1</sup> World War I <sup>2</sup> World War II <sup>3</sup>	Peacetime service <sup>4</sup>	Spanish-American War <sup>5</sup>	World War I <sup>6</sup>	Spanish-American War <sup>7</sup>	Spanish-American War <sup>8</sup>
Eligibility condition						
Service connection of disability or death of veteran.	Death due to service-connected disability.	Death due to service-connected disability.	Death due to service-connected disability.	Disability service-connected, but not death.	No.	No.
Minimum length of veteran's service.	No.	No.	No.	No, or 90 days <sup>9</sup> .	No, or 90 days <sup>9</sup> .	No, or 90 days <sup>9</sup> .
Time of widow's marriage to veteran.	Sp-A—before Sept. 1, 1922. WW I—before May 13, 1918. WW II—within 10 years of discharge from service.	Within 10 years of discharge from service.	No.	Before May 13, 1918.	Before Sept. 1, 1922.	Before Sept. 1, 1922.
Remarriage of widow.	Disqualifies permanently.	Disqualifies permanently.	Disqualifies during remarriage. <sup>10</sup>	Disqualifies permanently.	Disqualifies permanently.	Disqualifies during remarriage. <sup>10</sup>
Children:						
Age limitation.	Under 18 years, or until 21 if at school; or after 18 if helpless before 18.	Under 18 years, or until 21 if at school; or after 18 if helpless before 18.	Under 16 years, or after 18 if helpless before 16.	Under 18 years, or until 21 if at school; or after 18 if helpless before 18.	Under 18 years, or 21 if at school; none if helpless before 18.	Under 16 years, or after 16 if helpless before 16.
Legitimacy required.	Yes <sup>11</sup> .	Yes.	Illegitimate child may be eligible. <sup>12</sup>	Illegitimate child and stepchild may be eligible. <sup>13</sup>	Yes.	Illegitimate child may be eligible. <sup>14</sup>
Legal adoption.	Yes.	Yes.	No.	Yes.	Yes.	No.
Parents—dependency is.	Yes.	Yes.	No.	Yes.	Not entitled.	Not entitled.
Maximum annual income.	No.	No.	No.	1 survivor—\$1,000; survivors—\$2,500.	1 survivor—\$1,000; survivors—\$2,500.	No.
Class of survivor						
Widow.	Under 50 years—\$38; 50 and over—\$45.	Under 50 years—\$30; 50 and over—\$35.	\$25-30, depending on veteran's rank (Boxer Rebellion, \$12-30).	\$30.	\$15.	\$30.
Children, widow present.	1st child under 10 years—\$10; otherwise \$15; each other child under 10 years—\$8, otherwise \$13.	1st child under 10 years—\$8; otherwise \$11; each other child under 10 years—\$10 each.	\$2 each.	1st child—\$8; each other—\$4.	1st child—\$5; each other—\$3.	Each child—\$6.
Children, no widow.	1 child—\$20; 2 children—\$33; 3 children—\$46; each other—\$8 (equally divided).	1 child—\$15; 2 children—\$25; 3 children—\$35; each other—\$6 (equally divided).	\$25-30, depending on veteran's rank, plus \$2 per child (Boxer Rebellion, \$12-30).	1 child—\$15; 2 children—\$22; 3 children—\$30; each other—\$3 (equally divided).	1 child—\$12; 2 children—\$15; 3 children—\$20; each other—\$2 (equally divided).	1 child—\$36; each other—\$6.
Parents.	1 parent—\$45; 2 parents—\$25 each.	1 parent—\$30; 2 parents—\$20 each.	Mother \$25-30, depending on veteran's rank; father same, if no mother (Boxer Rebellion, \$12-30). <sup>15</sup>	No provision.	No provision.	No provision.
Maximum payment to survivors.	\$133 <sup>16</sup> .	\$102 <sup>17</sup> .	No provision.	\$64.	\$27.	No provision.

<sup>1</sup> Covers Spanish-American War (including Philippine Insurrection and Boxer Rebellion), World War I (including Siberian Expedition), and World War II. Where the same period of service appears in 2 columns for same type of payment, survivors may receive payments under the provisions in either column.

<sup>2</sup> Payments made under act of Mar. 20, 1933 (Public, No. 2, 73d Cong.) as amended, and Veterans Regulations.

<sup>3</sup> Survivors meeting eligibility conditions shown in this column may receive payments shown in preceding column if disability of veteran was incurred in extra-hazardous type of peacetime service.

<sup>4</sup> Payments made under act of Aug. 13, 1935 (Public, No. 269, 74th Cong.) as amended.

<sup>5</sup> Payments made under act of June 28, 1934 (Public, No. 484, 73d Cong.) as amended.

<sup>6</sup> Length of service immaterial if veteran was receiving or entitled to receive benefits for service-connected disability of 10 percent or more; 90 days' service, honorable discharge, or less than 90 days if discharged for disability incurred in line of duty if veteran had service-connected disability at death for which compensation would be payable at 10-percent degree.

<sup>7</sup> 90 days not required if veteran was discharged before 90 days for disability incurred in line of duty.

<sup>8</sup> 90 days not required if veteran was discharged before 90 days for disability incurred in line of duty, or died before 90 days from service-incurred disability.

<sup>9</sup> Widow may receive pension if she was the lawful wife of veteran during war, and later marriage was terminated without her fault, on her own application.

<sup>10</sup> Widow may receive pension if remarriage is terminated by death or divorce except for adultery by wife.

<sup>11</sup> Illegitimate child or stepchild of veteran of World War I is eligible if acknowledged by veteran in writing before his death, or if he was judicially decreed to support, or held putative father.

<sup>12</sup> If acknowledged by father before or after marriage of parents.

<sup>13</sup> Dependency may arise at any time; payments not terminated by remarriage of parent if dependency continues.

<sup>14</sup> Payable only if no surviving widow or children.

<sup>15</sup> Maximum for widow and children, \$63.

<sup>16</sup> Maximum for widow and children, \$62.



war-risk insurance, vocational training, and certain other provisions. In 1921 this Bureau was transferred to the newly created United States Veterans Bureau, to which were also transferred various hospitals under the Public Health Service and the Rehabilitation Division of the Federal Board of Vocational Education.

In accordance with an act of July 3, 1930,<sup>7</sup> the President by Executive Order set up the Veterans Administration and transferred to that agency the Bureau of Pensions, the United States Veterans Bureau, and the National Home for Disabled Volunteer Soldiers. The consolidation of these agencies in the new and independent organization became effective December 1, 1930, and since that date the administration of laws relating to veterans of the armed forces has been the responsibility of the Veterans Administration.

### **Eligibility Requirements**

*Payments to veterans.*—1. Payments made to veterans who are disabled as a result of service in the armed forces are contingent upon few eligibility conditions. In general, payments are made if it can be shown or presumed that the disability was incurred in the service and was not the result of misconduct on the part of the veteran.<sup>8</sup> Except for certain rebuttable presumptions pertaining to service connection under Public Law No. 2, 73d Congress, and the Veterans Regulations, no minimum period of active service is imposed nor is there any limitation as to the size of the income of the beneficiary. Veterans receiving payments under Public Law No. 2 must have been honorably discharged, although the provisions of the other laws providing service-connected benefits do not make this requirement.

2. For payments based on non-service-connected disability or injury, a minimum period of service is required. Payments are generally based on 90 days' service, unless the veteran was discharged from the armed forces prior to this length of service for disability incurred in line of duty. Honorable discharge is necessary to qualify for benefits, and a maximum income limitation of \$1,000 if unmarried, and \$2,500 if married or with children, is imposed under Public Law No. 2 and the Veterans Regulations.

<sup>7</sup> Public, No. 536, 71st Cong.

<sup>8</sup> For World War I, veteran's misconduct is not a disqualifying provision when the veteran is suffering from service-connected paralysis, paresis, blindness, or is helpless.

*Payments to dependents.*—In general, if a veteran was receiving payments or was eligible for payments prior to his death, the surviving widow, children, and parents can apply for death benefits based on his service.

1. When the veteran's death was due to a disability or injury incurred in the service, the conditions for payment to widows generally refer specifically to the time of marriage to the deceased veteran. For all wars in which service is of current importance, a limit is imposed (except in the general pension laws) on the time at which the marriage to the deceased veteran could have taken place. For the Spanish-American War, the marriage must have occurred before September 1, 1922. For World War I service, marriage must have occurred prior to May 13, 1938, and for peacetime and World War II service the marriage must have taken place prior to the expiration of 10 years subsequent to the veteran's discharge from the enlistment during which he incurred the injury or disease on account of which claim was made. If a widow remarries she is disqualified permanently from further benefits under Public Law No. 2 and Veterans Regulations; under the general pension laws, however, a remarried widow under certain conditions may be restored to the roll on dissolution of the marriage by death or by divorce on her own application and without fault on her part.

For children, the payments under Public Law No. 2 and Veterans Regulations are made while the child is unmarried and under age 18, or until he is 21 if he is still attending school. Payments can be made after age 18 to children who, before they reach that age, have become permanently incapable of self-support by reason of mental or physical defect. Under the general pension law, subject to certain other conditions, a pension may be paid only until the child attains the age of 16 but it may be continued thereafter if the child, before reaching age 16, becomes insane, idiotic, or otherwise physically or mentally helpless.

Payments are made to parents when dependency existed either prior or subsequent to the death of the veteran, and remarriage is not a disqualifying condition if dependency continues. Under the general pension law, dependent parents are not entitled to pension while there is a widow or child so entitled, but under Public Law No. 2 and Veterans Regulations, dependent parents may

receive a pension concurrently with a widow, child, or children.

2. In the case of payments made to dependents of a veteran whose death was not the result of a service-connected disability, the disqualifying conditions are somewhat more strict. These non-service-connected death awards are available to widows and children of veterans of the Indian wars, Mexican War, Civil War, and Spanish-American War, under service pension laws, and to the widows and children of veterans of the Spanish-American War under Public Law No. 2 and Veterans Regulations. As to widows and children of veterans of World War I, payments are made if the veteran at the time of his death was receiving or entitled to receive compensation for a 10-percent or more degree of disability; or if the veteran served 90 days and was honorably discharged; or, after service of less than 90 days, if he was discharged for disability incurred in line of duty and had when he died a disability for which compensation would be payable if of a 10-percent degree or more.

For the widow of a veteran of the Spanish-American War, the delimiting marriage date is September 1, 1922, and for World War I, May 13, 1938. For children of veterans of the Spanish-American War, the general pension law applies under service pension acts, i. e., subject to other conditions, payment may be made until the child reaches the age of 16, or continued thereafter if before reaching that age he becomes insane, idiotic, or otherwise physically or mentally helpless; under Public Law No. 2 and Veterans Regulations, subject to other conditions, payments may be made until the child reaches age 18 or age 21 if he is in an approved school, and may be made after age 18 if the child before reaching that age becomes permanently incapable of self-support by reason of mental or physical defect. With respect to service in World War I, the provision for children is similar to that immediately preceding, under Public Law No. 2 and Veterans Regulations.

A remarried widow under service pension laws pertaining to the Civil War, Indian wars, and Spanish-American War may be restored to the roll when the marriage terminated on any ground except adultery, or, for the Indian wars, without fault on the part of the wife. With respect to the Spanish-American War under Public Law No. 2 and the Veterans Regulations, a pension

shall not be paid to any unmarried person whose annual income exceeds \$1,000 or to any married person or any person with minor children whose annual income exceeds \$2,500. With respect to World War I, under Public Law No. 484, 73d Congress, as amended, payment of compensation shall not be made to any childless widow, or to a child whose annual income exceeds \$1,000, or to a widow with a child or children whose annual income exceeds \$2,500. There is no income limitation for dependents of veterans of the Spanish-American War receiving benefits under the service pension laws. Payments based on non-service-connected death are not available to parents of deceased veterans.

*Lump-sum payments.*—Burial benefit is provided for honorably discharged veterans of any war, a veteran of any war in receipt of compensation or pension, a veteran discharged for disability incurred in line of duty, or a veteran of the Army, Navy, Marine Corps, or Coast Guard in receipt of pension for a service-connected disability. The Veterans Administration will assume the actual cost (not to exceed \$100) of burial, funeral, and transportation of the body to place of burial within the continental limits of the United States. When the death occurs in a Veterans Administration facility within the continental limits of the United States, the actual cost (not to exceed \$100) of burial and funeral will be paid, and the body will be transported to the place of burial within the continental limits of the United States.

### Payments and Beneficiaries

The total amount disbursed to veterans of all wars and of the Regular Establishment, and to their dependents, through June 30, 1942, was almost \$15 billion (table 1). Of this amount, about 97 percent has been paid out on the basis of service in three wars—the Civil War accounting for more than half of all payments, World War I for almost a third, and the War with Spain for almost one-eighth (chart 3). Payments made to members of the Regular Establishment for disability or death incurred in peacetime service accounted for 1.5 percent of all payments, while payments made on the basis of any other period of service were less than 1 percent of the total.

The proportion going to veterans, out of the \$13.8 billion for which it is possible to obtain a

subdivision of the figures,<sup>9</sup> amounted to 72 percent, while the remaining 28 percent was paid to survivors of deceased veterans. The distribution of total amounts according to payments to veterans and payments to their dependents varies with the different wars on which service is based, but in general the low percentages shown for dependents of veterans of the Spanish-American War and World War I result from the fact that a relatively short period has elapsed between the end of the war and June 30, 1942. With the passage of time a larger proportion of total payments for a war goes to survivors. For the five wars for which all or practically all of the cost of pensions has been met, the veterans received 61 percent of all payments and the survivors 39 percent.

Of the payments made to veterans in June 1942, 62 percent was received by veterans of World War I, and 32 percent by veterans of the Spanish-American War; veterans of the Regular Establishment received 5 percent, and veterans of all other periods of service received less than 1 percent (table 2). Payments to dependents of deceased veterans show less concentration: dependents of World War I veterans received 58 percent of total survivor payments, dependents of Spanish-American War veterans, 21 percent; and dependents of Civil War veterans, 16 percent. The survivors of

<sup>9</sup> Prior to 1891, figures for the Civil War are not differentiated as between payments to living veterans and payments to dependents, nor can the unclassified items shown in table 1 be distributed between amounts paid to veterans and those to dependents.

**Table 1.—Total payments to veterans and their survivors, by period of service, as of June 30, 1942**

[In thousands]

Period of service	Total payments		Payments to veterans		Payments to survivors	
	Amount	Percentage distribution	Amount	Percent of total	Amount	Percent of total
Total.....	\$14,996,080	100.0	(1)	(1)	(1)	(1)
Revolutionary War.....	70,000	.5	\$50,000	71.4	\$20,000	28.6
War of 1812.....	46,218	.3	14,020	30.3	32,198	69.7
Indian wars.....	88,801	.6	50,758	57.2	38,043	42.8
Mexican War.....	61,515	.4	28,748	46.7	32,767	53.3
Civil War.....	8,077,072	53.9	(1)	(2)	(1)	(2)
Spanish-American War <sup>1</sup> .....	1,792,635	12.0	1,504,073	83.9	288,562	16.1
World War I.....	4,819,488	30.8	3,803,465	82.3	816,023	17.7
World War II.....	201	(4)	12	6.0	189	94.0
Regular Establishment (peacetime service).....	223,637	1.5	172,948	77.3	50,689	22.7
Unclassified.....	16,513	(1)	(1)	(1)	(1)	(1)

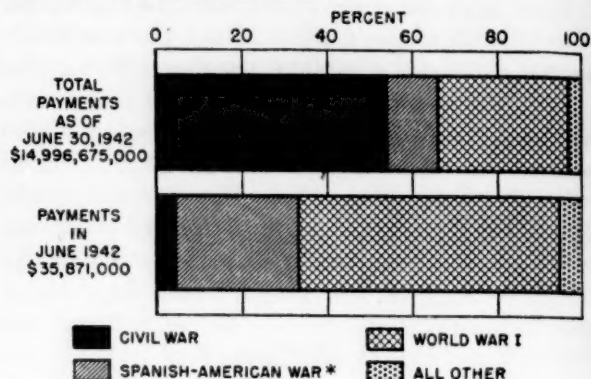
<sup>1</sup> Data not available.

<sup>2</sup> Data not available for entire period; for 1891-1942, 61.7 percent paid to veterans, 38.3 percent to survivors.

<sup>3</sup> Includes also Philippine Insurrection and Boxer Rebellion.

<sup>4</sup> Less than 0.05 percent.

**Chart 3.—Percentage distribution of payments to veterans of all wars and to their dependents, through June 1942 and for June 1942**



veterans of the Regular Establishment received 4 percent of all dependency payments, and dependents of veterans of the Indian wars and of World War II accounted for 1 percent each.

### Payments to Veterans

As indicated above, the laws relating to the payment of pensions and compensation to veterans differentiate between payments to veterans who were disabled as a result of service in the armed forces and payments to veterans who were disabled, but whose disability was not the result of service in the armed forces.<sup>10</sup>

<sup>10</sup> For the veterans of the Spanish-American and previous wars, legislation has been passed which considers age as a disability.

**Table 2.—Payments to veterans and their survivors, by period of service, June 1942**

[In thousands]

Period of service	Total payments	Payments to veterans	Payments to survivors	Percentage distribution			Percent of total paid to—	
				Total payments	Payments to veterans	Payments to survivors	Veterans	Survivors
Total.....	\$35,870	\$26,658	\$9,212	100.0	100.0	100.0	74.3	25.7
War of 1812.....	(1)	0	(1)	(5)	0	(2)	0	100.0
Indian wars.....	214	106	108	.6	.4	1.2	49.5	50.5
Mexican War.....	4	0	4	.0	(2)	0	0	100.0
Civil War.....	1,520	94	1,426	4.2	.4	15.5	6.2	93.8
Spanish-American War <sup>1</sup> .....	10,385	8,454	1,931	29.0	31.7	20.9	81.4	18.6
World War I.....	21,927	16,612	5,315	61.1	62.3	57.7	75.8	24.2
World War II.....	99	10	89	.3	(2)	1.0	10.1	89.9
Regular Establishment (peacetime service).....	1,721	1,382	339	4.8	5.2	3.7	80.3	19.7

<sup>1</sup> 1 payment of \$20 paid to veteran's daughter.

<sup>2</sup> Less than 0.05 percent.

<sup>3</sup> Includes also Philippine Insurrection and Boxer Rebellion.



The history of veterans' legislation shows that the first payments provided for veterans of any war are for service-connected disabilities only, and not until some time after the end of the war are non-service-connected payments provided.

The accompanying tabulation shows the number of years after the end of each war before laws were enacted providing for non-service-connected disability payments. The laws differ as to the exact provisions, but each provides payments to veterans for disabilities not resulting from service in the armed forces.

War	Date of law providing non-service-connected disability payment	Number of years between end of war and enactment of law
Revolutionary War.....	1832	51
War of 1812.....	1871	56
Mexican War.....	1887	39
Civil War.....	1890	25
Spanish-American War <sup>1</sup> .....	1920	18
World War I.....	1930 <sup>2</sup>	12

<sup>1</sup> Includes also Philippine Insurrection and Boxer Rebellion.

<sup>2</sup> Repealed Mar. 20, 1933. Payments now made under Veterans Regulations.

It will be noted that the period between the end of the war and the date of the law providing for non-service-connected disability payments has become shorter. At the present time, for the wars which still result in payments of any significance, only the Spanish-American War and the World War I legislation provides payments for non-service-connected disability, and for the latter war the disability must be total and permanent. Total-permanent disability ratings may be assigned, however, when the disabled veteran has

Table 3.—Number of veterans receiving payments, by period of service, June 1942

Period of service	Total	Public acts		Special acts
		Service-connected	Non-service-connected	
Total.....	620,297	(1)	(1)	768
Indian wars.....	1,713	(1)	(1)	32
Civil War.....	975	(1)	(1)	11
Spanish-American War <sup>1</sup> .....	146,677	1,407	145,201	60
World War I <sup>2</sup> .....	430,038	348,730	81,306	2
World War II.....	93	93		
Regular Establishment (peace-time service) <sup>3</sup> .....	40,801	40,147		654

<sup>1</sup> Data not available.

<sup>2</sup> Includes also Philippine Insurrection and Boxer Rebellion.

<sup>3</sup> Excludes 2,646 emergency, provisional, probationary, and temporary officers receiving retirement pay.

<sup>4</sup> Excludes 59 retired reserve officers receiving retirement pay.

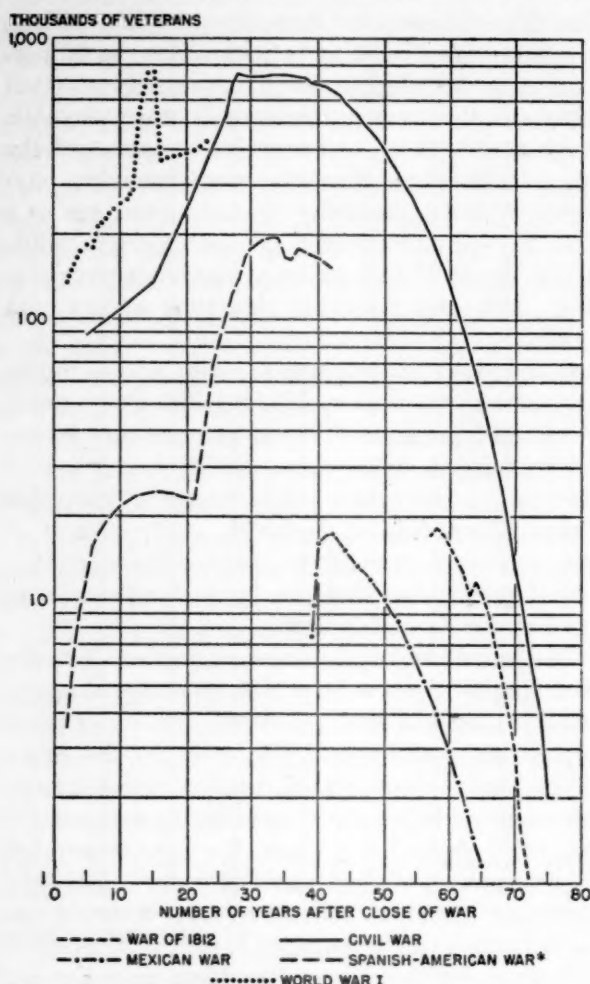
been unable to follow a substantially gainful occupation and when it is reasonably certain that the disability will continue throughout his life. Thus, veterans with disability ratings as low as 60 percent may be eligible for non-service-connected payments if they are permanently unemployable. On June 30, 1942, of every 100 veterans of the Spanish-American War who were receiving payment, 99 had a disability (including old age as a disability) of a non-service-connected origin, while of the World War I veterans receiving payment, 19 in 100 were receiving this type of payment (table 3).

In addition to payments made under public laws, certain veterans receive benefits as the result of special legislation. These veterans are generally individuals who cannot qualify under any of the public acts, or those who are entitled to special consideration. As of June 30, 1942, a total of 768 veterans were receiving payment under these special acts, 654 of them on the basis of service in the Regular Establishment.

The number of veterans receiving benefits according to the war in which service was established is shown in chart 4, by the number of years elapsed since the war. The peak in the beneficiary load for each war is reached only after the enactment of legislation providing for non-service-connected payments. Thus, the largest number of veterans receiving payments for each war shown on the chart follows by only a few years the legislative enactment for non-service-connected payments. Although comparable figures are not available for the entire period for veterans receiving payments for service in the War of 1812 and the Mexican War, it is probable that the trend for these wars resembles that shown for the Spanish-American War. The legislation providing non-service-connected payments for veterans of these wars was enacted more than 40 years after the end of the wars, and it is reasonable to assume that the peak of service-connected pensions to beneficiaries had occurred some time earlier. It is apparent from the chart that a span of about 80 years occurs between the end of a war and the time when only a relatively few veterans are still receiving payments for service based on that war.

*Average payments.*—Payments for disabilities of service-connected origin are at a higher rate than are those for non-service-connected disabilities. For World War I the range of payments for

**Chart 4.—Number of veterans of specified wars receiving payments, by number of years since end of war**



\*Includes also Philippine Insurrection and Boxer Rebellion.

service-connected disability is from \$8 to \$285; for non-service-connected disability the payment is at a flat rate of \$40. For the Spanish-American War the payments for service-connected disability range from \$10 to \$250 under Public Law No. 2 and the Veterans Regulations, and from \$6 to \$125 under the general pension law; for non-service-connected disability the range is from \$12 to \$60, with \$100 allowed when regular aid and attendance are required.

The average monthly payments to veterans, by type of disability, are given in table 4 for June 1941, the latest date for which such averages are available.

The high average payment for Civil War veterans (\$96.59) is accounted for by the fact that 1,385 of the 1,560 veterans receiving payments in

June 1941 were paid at the maximum rate of \$100, by reason of being helpless or blind, or so nearly helpless as to need regular attendance.

Payments to veterans of the Spanish-American War for disabilities of service origin averaged \$77, as compared with an average of \$56 for non-service-connected payments. An analysis of the type of disability shows that, of the 1,407 veterans receiving payment for service-connected disability, 4 percent had tuberculosis and received an average payment of \$83.97; 12 percent were suffering from neuropsychiatric conditions and received payments averaging \$81.09; and the remaining 84 percent are classed as general medical and surgical cases with payments averaging \$76.09 per month. Of the 145,000 whose disabilities were not service-connected, 24 percent were receiving payments for age at the average monthly rate of \$56.61. Inasmuch as the maximum rate allowed for age (65 years or over) is \$60, it is obvious that the majority of these veterans are near that age level.

Average monthly payments made to World War veterans for service-connected disabilities or injuries amounted to \$39.71 in June 1941. This low average as compared with the average for other wars is due to the fact that 81 percent of the World War I veterans had disabilities rated as permanent partial, with average payments of \$33.08 per month. Of 350,000 veterans receiving service-connected payments, 15 percent were tuberculous and receiving an average of \$52.86; 20 percent were neuropsychiatric cases receiving \$50.94; and 65 percent were general medical or surgical cases receiving an average of \$33.18. The law of March 28, 1934, under which almost three-fourths of the veterans of that war were receiving payment, allows additional compensation for dependents for cases rated as temporarily disabled (chart 1). In June 1941 an average of \$7.21 additional per case per month was allowed for the dependents of 27,100 veterans thus rated. These dependents included 25,500 wives, 49,300 children, and 1,400 parents.

In June 1941 all non-service-connected payments to veterans of World War I were at the rate of \$30 per month unless reduced to \$6 because the veteran was receiving institutional care at Government expense.

*Extent of disability.*—In June 1941 there were 350,000 veterans of World War I receiving com-

compensation for service-connected disability or injury. Inasmuch as the relative proportions receiving payment according to the extent of disability change little from year to year, in the absence of further legislation, figures for this month are satisfactory to indicate the extent to which these veterans are disabled. As shown below, veterans with permanent disabilities constituted 90 percent of the total; 81 percent of all payments were rated permanent-partial cases. The extent of disability is important, because payments vary considerably according to the degree of impairment.

Extent of disability	Number of awards	Percentage distribution
All awards.....	349,722	100.00
Permanent total.....	33,729	9.64
Permanent partial.....	282,177	80.69
Temporary total.....	1,533	.44
Temporary partial.....	32,283	9.23

Further subdivision of the partial disability awards shows that almost two-thirds of the permanent-partial cases were less than 30-percent disabled, and more than 8 out of 10 were less than 50-percent disabled, while one-half of the temporary-partial cases were less than 30-percent disabled (table 5).

Thirty-one percent of the cases rated temporary partial were suffering from neuropsychiatric ailments as compared with 15 percent of the permanent-partial cases; 16 percent of the permanent-partial cases had tuberculosis, as compared with only 5 percent of the temporary-partial cases. General medical and surgical conditions accounted

Table 4.—Average monthly value of awards to veterans, by period of service and type of disability, June 1941

Period of service and type of disability	Total	Public laws		Special acts
		Service-connected	Non-service-connected	
Indian wars.....	\$62.12	(1)	(1)	\$14.21
Civil War.....	96.59	(1)	(8)	50.00
Spanish-American War <sup>1</sup> .....	56.27	\$77.00	\$56.08	22.10
Age.....	56.61	.....	56.61	.....
Disability.....	56.19	77.00	55.92	.....
World War I <sup>2</sup> .....	37.49	39.71	20.76	65.00
Permanent total.....	49.94	99.76	20.76	.....
Permanent partial.....	33.08	33.08	.....	.....
Temporary total.....	88.89	88.89	.....	.....
Temporary partial.....	32.59	32.59	.....	.....
Regular Establishment (peacetime service) <sup>3</sup> .....	32.09	32.09	.....	17.01

<sup>1</sup> Data not available.

<sup>2</sup> Includes also Philippine Insurrection and Boxer Rebellion.

<sup>3</sup> Excludes average monthly value for emergency, provisional, probationary, or temporary officers.

<sup>4</sup> Excludes average monthly value for reserve officers retired under Public, No. 18, sec. 5, 76th Cong.

Table 5.—Service-connected disability awards to World War I veterans for partial disability, by degree of impairment, active as of June 1941

Degree of impairment	Permanent partial		Temporary partial	
	Number	Percent	Number	Percent
Total.....	282,177	100.00	32,283	100.00
No disability <sup>1</sup> .....	2,117	.80	0	0
10-19.....	90,002	28.35	8,059	24.94
20-29.....	93,816	33.25	8,650	26.79
30-39.....	39,755	14.09	4,295	13.30
40-49.....	21,817	7.73	3,363	10.42
50-59.....	19,503	6.91	3,244	10.05
60-69.....	11,268	3.99	1,714	5.31
70-79.....	8,002	2.84	1,983	6.14
80-89.....	4,912	1.74	677	2.10
90-99.....	985	.30	307	.95

<sup>1</sup> Awards authorized regardless of evaluation of degree of disability.

for 69 percent of all permanent-partial cases and for 64 percent of all temporary-partial cases.

All veterans of World War I who were receiving non-service-connected disability payments in June 1941 were rated permanent-total disability cases, the only cases eligible for payment.

Of the 1,500 Spanish-American War veterans receiving service-connected disability payments in June 1941, more than two-thirds had a 50-percent or more impairment. There were 151,500 veterans of this war who were receiving payments for non-service-connected disabilities—36,000 for age and 115,500 for disability; almost 6 out of every 10 of these veterans were more than 50-percent disabled.

One-fifth of active awards in June 1941 based on service in the Regular Establishment were made for total disability and one-third for impairment of less than 30 percent. No data concerning the degree or extent of disability are available for other wars, except the fact already mentioned that almost 90 percent of the Civil War veterans are totally disabled.

### Payments to Dependents

Under the various veterans' laws, continuing monthly payments generally are available to the surviving dependents of a veteran who at the time of his death is himself receiving or is eligible to receive benefits. On June 30, 1942, there were 317,000 dependents of 236,500 deceased veterans receiving such payments. These dependents included 158,000 widows, 76,700 children, 82,200 parents, and 26 other dependents (table 6).

Most of the dependents of deceased veterans of the Spanish-American War were receiving pay-



ment based on non-service-connected death awards; 97 out of 100 dependents were in this category. Of the dependents of World War I veterans, almost 3 out of 10 were receiving non-service-connected death payments. All dependent parents are receiving payments based on service-connected deaths, the only awards available to them.

*Average payments.*—The latest data for average payments to dependents, with details concerning the relationship to the deceased veterans, relate to June 1941. The averages in table 7 therefore apply to that month, and as noted before, since there has been no new legislation of importance since that date, the figures can be used for making current comparisons.

For service-connected death awards the World War I averages are the highest and those for the Regular Establishment the lowest; for non-service-connected awards the averages for widows are the same for both World War I and Spanish-American War service. More significant averages for many purposes are those for different types of family composition.

It will be noted from table 7 that substantial differences in the size of payments exist between service-connected and non-service-connected death awards. These averages reflect, of course, the rates allowed under the various laws, which vary for the different periods of service.

Average payments made to dependents of deceased members of the Regular Establishment, based on peacetime service, are in most cases a little more than half those paid to dependents of

**Table 6.—Number of surviving dependents receiving payments, by period of veterans' service, June 1942**

Period of service	Number of surviving dependents					Number of deceased veterans on whose service payment is based
	Total	Widows	Children	Parents	Other	
Total.....	316,789	157,898	76,664	82,201	26	236,498
War of 1812.....	1	0	1	0	0	1
Indian wars.....	3,716	3,634	72	0	10	3,676
Mexican War.....	95	95	0	0	0	95
Civil War.....	37,873	35,756	2,117	0	0	37,714
Spanish-American War <sup>1</sup> .....	67,425	60,458	6,686	273	8	62,774
World War I.....	186,166	50,993	60,797	74,376	0	118,617
World War II.....	2,135	516	361	1,258	0	1,329
Regular Establishment (peacetime service).....	19,378	6,446	6,630	6,294	8	12,292

<sup>1</sup> Includes also Philippine Insurrection and Boxer Rebellion.

**Table 7.—Average monthly payments to survivors of veterans of specified periods of service, by class of beneficiary, June 1941**

Class of beneficiary	Service-connected awards			Non-service-connected awards	
	World War I	Spanish-American War <sup>1</sup>	Regular Establishment (peacetime service)	World War I	Spanish-American War <sup>1</sup>
Widows, total.....	\$40.19	\$36.54	\$24.82	\$29.99	\$29.97
Children, total.....	13.09	12.40	8.93	6.84	12.59
Mothers, total.....	39.10	19.93	13.90		
Fathers, total.....	33.87	20.00	12.68		
Widows alone.....	40.19	36.54	24.99	29.99	29.97
Widow and children.....	61.91	52.98	38.70	42.86	38.56
Widow and mother.....	82.69	47.50	37.98		
Widow, child, and mother.....	103.00		61.21		
Widow and father.....	82.11		38.44		
Widow, children, and father.....	101.97		61.46		
Widow, mother, and father.....	87.83		44.93		
Widow, child, mother, and father.....	108.18		53.90		
Children alone.....	25.70	41.67	19.63	20.59	32.37
Children and mother.....	66.66		34.22		
Children and father.....	68.52		37.94		
Children, mother, and father.....	74.25		42.17		
Mother alone.....	43.40	20.00	15.10		
Father alone.....	43.55	20.00	15.10		
Mother and father.....	49.05		22.08		

<sup>1</sup> Includes also Philippine Insurrection and Boxer Rebellion.

World War I veterans. However, an act approved July 30, 1942,<sup>11</sup> increases pensions payable to dependents of peacetime veterans to equal approximately three-fourths of the pensions allowed for dependents of wartime veterans dying from service-connected causes.

### Lump-Sum Payments

In June 1942, lump-sum payments were made to cover the burial expenses of 3,500 deceased veterans. Total payments for the month were approximately \$345,000. The level of payments of this type fluctuates little from month to month; during the past 2 years the monthly number of such payments has ranged from 3,000 to 4,000, and payments have varied accordingly.

### Other Services and Assistance Available to Veterans

In addition to the pensions and compensation which have been discussed thus far, the Administrator of Veterans Affairs is authorized, under such limitations as he may prescribe and within the limits of existing Veterans Administration facilities, to furnish to men discharged from the Army, Navy, Marine Corps, or Coast Guard, for dis-

<sup>11</sup> Public, No. 690, 77th Cong.

abilities incurred in line of duty or to those in receipt of pension for service-connected disability, and to veterans of any war, domiciliary care when they are suffering with permanent disabilities, tuberculosis, or neuropsychiatric ailments, and medical treatment for diseases or injuries.

Furthermore, a veteran of any war who was not dishonorably discharged, who is suffering from disability, disease, or defect, who is in need of hospitalization or domiciliary care, and who is unable to defray the necessary expenses therefor (including transportation to and from the Veterans Administration facility) may be furnished necessary hospitalization or domiciliary care (including transportation) in any Veterans Administration facility, within the limitations existing in such facilities, irrespective of whether the disability, disease, or defect was due to service. In such cases, the sworn statement of the applicant is accepted as sufficient evidence of inability to defray the necessary expenses. Retired officers and enlisted men of the Army, Navy, Marine Corps, or Coast Guard who served honorably during a war period as recognized by the Veterans Administration are entitled to hospitalization or domiciliary care in the same manner and to the same extent as other veterans.

Veterans of the present war who are discharged for disabilities incurred in line of duty or are in receipt of pensions for service-connected disability may be furnished medical treatment and hospital care if it is necessary, or domiciliary care if they are suffering from permanent disabilities, tuberculosis, or neuropsychiatric ailments, irrespective of whether the disability is service-connected or not.

During the year ended June 30, 1941, a daily average of 54,600 veterans were under treatment in hospitals, and costs for operating expenses of all hospitals amounted to \$55.4 million for that fiscal year. During the same year, a daily average of 16,700 veterans were receiving domiciliary care, at a cost during the fiscal year of \$5.7 million.

Other types of aid or service available to veterans include a system of low-rate insurance, adjusted compensation payments (World War I), an employment service, and certain preferences in Federal employment.

The retirement systems for members of the regular forces are also excluded from this discussion. The provisions of these retirement systems

are so different from those governing veterans' benefits that they will be the subject of a future article.

### Summary

Laws providing for payments to members of the armed forces who were disabled as a result of military service date back to the earliest days of this country. Even before the Revolutionary War, certain Colonies enacted pension laws for the relief of maimed and disabled soldiers. Beginning with the Revolutionary War, the Federal Government assumed the responsibility of making payments to disabled and injured members of the armed forces to compensate, at least in part, for the impairment in health and earning capacity suffered by the veterans.

As the system of laws relating to veterans has evolved, considerable progress has been made in providing adequate care for men who were disabled in service. In the first place, more liberal provisions have been made in the legislation for each succeeding war, and in general these more liberal provisions have been extended to veterans of previous wars. Liberalization has not only taken the form of larger individual benefit amounts but has included such items as more nearly adequate provisions for dependents, payments to veterans disabled subsequent to the period of service, and the recognition of old age as a disability.

The legislation relating to service in World War I resulted from an entirely new approach to the problem of providing for disabled and injured veterans. For that war, disabilities are rated, insofar as practicable, according to the average degree of impairment suffered in like disabilities in civil occupations. This approach reflects at least in part the expansion of workmen's compensation legislation in this country since 1900, and, in fact, workmen's compensation experience was used extensively in drafting the provisions. Secondly, in keeping with the continued progress in the fields of medical science and the social services, greater attention has been given in late years to the provisions of medical and hospital care, vocational rehabilitation, and other measures designed to restore the veteran to health and normal activities. Finally, the administration of laws relating to veterans has been consolidated in one agency, the Veterans Administration. Prior to this consolidation the administration of veterans' laws was in

the hands of several different governmental departments, and in bringing together these various administrative units it has been possible to develop and coordinate the system more efficiently.

Veterans of the present war are protected by the provisions of existing veterans' legislation for payments to members of the armed forces disabled in line of duty while in service and for payments to their dependents in case of death. In addition, a substantial number of men inducted into the armed forces had currently insured status under the old-age and survivors insurance program at the time of induction. A covered worker who had been steadily employed for the 3 preceding years would retain rights to survivors' benefits for a year and a half after entry into military service. A large proportion of the men in the armed forces have had or will later have employment on the basis of which they may establish rights to old-age benefits. Various proposals for crediting periods of military service

toward old-age and survivors insurance benefits under the Social Security Act are under consideration. If the coverage of old-age and survivors insurance is broadened, it will include most veterans of this war. Should disability and hospitalization benefits be included in the social security program, as the President has recommended, veterans of this war would have additional protection not now available to them.

For the veteran who is disabled in military service, we have built up rights to cash benefits and medical care which recognize the special debt which a country owes the men and women who are disabled in fighting its battles. We are now building a social insurance structure which, when completed, will assure to all veterans a basic protection against the hazards of income loss and lack of medical care—a protection which is their right not as veterans but as citizens. A major task still to be accomplished is the integration of these two sets of protections.



# The Effect of War Displacements on the Detroit General Assistance Program\*

BECAUSE, EARLY IN 1942, Detroit had the largest number of war-displaced workers, the attention of welfare authorities was focused on the city to discover the community problems arising during the shift from peacetime to wartime work. It was expected that one of the problems arising from such disemployment would be a considerable increase in the demand for general assistance. To test this assumption, the Detroit Department of Public Welfare conducted a study of the effect of war displacements on its general assistance program. The study was based on schedules completed by the intake workers in the various district offices of the Detroit and Wayne County departments of public welfare for each person requesting assistance during April 1942.

The most important question to be decided by the intake workers was whether the applicant was unemployed because of the war. Determination of the connection between the war and unemployment was extremely difficult in many cases. The intake workers were, however, familiar with the industrial pattern in Detroit, and they also had the advice of the Employment Service Bureau of the Department of Public Welfare in determining the reason for loss of job. These factors, added to the interest and painstaking care of the intake workers in filling out the schedules, reinforce confidence that the data collected reflect as accurately as possible the effect of the war on the general assistance program.

## Nature of War-Displacement Problem

After December 7, 1941, unemployment in Detroit was accelerated by the change-over from the manufacture of automobiles and related products to that of tanks, guns, planes, and other armament necessary for the successful prosecution of the war. It was expected that the lay-offs during the period of conversion would have especially serious repercussions in Detroit because of the community's dependence on the automobile in-

dustry. According to the 1940 census, 30 percent of Detroit's employed workers were engaged in manufacturing automobiles and automobile equipment. Only 17 percent were employed in all the other manufacturing industries, which were, to a considerable extent, allied to the manufacturing of automobiles. About one-fifth of the workers were in the wholesale and retail-trade industry and almost the same proportion in the service industry. Consequently, when automobile production stopped, the other industries not only were unable to absorb the unemployed but also suffered considerable unemployment from the decline in demand for services and goods by the displaced automobile workers. Factories manufacturing nonessential consumer goods and civilian durable goods were affected adversely by material shortages and governmental controls, such as curtailment orders and priority and preference ratings. Unemployment, directly and indirectly attributable to the war, hit the wholesale and retail-distribution and service industries as a result of manufacturing and/or sales restrictions on automobiles, tires, radios, washing machines, and other heavy consumer goods, and of reduction in the buying power of the displaced automobile workers.

Table 1.—Families requesting general assistance in Detroit, by employment status, April 1942

Employment status	Families requesting assistance		
	Number	Percentage distribution	Median size
Total.....	1,118	100.0	2.1
Families with no recently unemployed member.....	746	66.7	1.9
Families with recently unemployed members, by reason of unemployment <sup>1</sup> .....	372	33.3	2.9
War-connected reason <sup>2</sup> .....	147	13.1	3.7
Reasons not war-connected.....	225	19.7	2.2
Illness or other disability.....	115	10.3	1.7
Other <sup>3</sup> .....	105	9.4	2.7
Reasons unknown.....	5	.4	( <sup>4</sup> )

<sup>1</sup> In addition, 11 families requested assistance because employment of family member was interrupted by entrance into armed forces.

<sup>2</sup> Families in which 1 member was unemployed for war-connected reason and another for any other reason classified under war-connected reason.

<sup>3</sup> Shortages of materials, supplies, or equipment, Government priority, curtailment or conversion orders, and other reasons directly or indirectly connected with war.

<sup>4</sup> Seasonal lay-offs, completion of work, and personal or other reasons.

<sup>5</sup> Base too small for computation.

\*Data collected by the Detroit Department of Public Welfare and analyzed by Charles J. Lopes, Bureau of Public Assistance, Social Security Board. The study was outlined by the Division of Assistance Analysis, Bureau of Public Assistance.

**Table 2.—Families approved for general assistance in Detroit, by employment status, April 1942**

Employment status	Families approved for assistance	
	Number	Percentage distribution
Total.....	511	100.0
Families with no recently unemployed member.....	1 303	59.3
Families with recently unemployed members, by reason of unemployment <sup>1</sup> .....	208	40.7
War-connected reason <sup>2</sup> .....	79	15.5
Reasons not war-connected.....	127	24.9
Illness or other disability.....	72	14.1
Other <sup>3</sup> .....	55	10.8
Reasons unknown.....	2	.4

<sup>1</sup> Estimated.

<sup>2</sup> See table 1, footnote 2.

<sup>3</sup> See table 1, footnote 3.

<sup>4</sup> See table 1, footnote 4.

It has been estimated that, for every 100 manufacturing jobs lost, 30-40 nonmanufacturing jobs are lost.<sup>1</sup>

Serious as the war-displacement problem loomed in magnitude, it was freely predicted that it would not last long. In a labor-market report for March 1942 the Bureau of Employment Security reported that conversion was being rapidly effected, and new war plants were under construction. "It is antici-

<sup>1</sup> U. S. House of Representatives, Select Committee Investigating National Defense Migration, *Hearings . . . Part 18*, 1941, p. 7174.

pated that all workers usually employed by the automobile industry will be reabsorbed by the fall of 1942."<sup>2</sup> Later the Bureau reported a sharply accelerated rate of rehiring of war-displaced workers in the major war industries. Conversion, completion of new plants, and the expanded hiring rate in many war industries combined to keep the actual number of lay-offs below previously anticipated levels and to provide reemployment opportunities sooner than had been expected.

Testifying before the Tolan Committee in December 1941, a representative of the Michigan Unemployment Compensation Commission estimated that more than 100,000 workers would be unemployed after the first of the year in Wayne County alone.<sup>3</sup> Estimates made in February indicated that about 170,000 would be unemployed in Wayne County at the end of the month.<sup>4</sup> It was predicted that unemployment would reach its crest early in March and would recede quickly thereafter. Estimates for April showed a considerable decrease from previous months in unem-

<sup>2</sup> Social Security Board, Bureau of Employment Security, *The Labor Market*, March 1942, pp. 14-15.

<sup>3</sup> U. S. House of Representatives, Select Committee Investigating National Defense Migration, *Hearings . . . Part 24*, 1942, p. 9442.

<sup>4</sup> Amidon, Beulah, "The Battle of Detroit," *Survey Graphic*, April 1942, p. 202.

**Table 3.—Families with recently unemployed members requesting general assistance in Detroit, by reason of unemployment and by prior assistance status, April 1942**

Reason of unemployment	Families with recently unemployed members	Prior assistance status							Unknown	
		Families never on assistance rolls	Families on assistance rolls							
			Total	Less than 6 months previously	6 months but less than 1 year previously	1 year but less than 5 years previously	5 or more years previously	Elapsed time unknown		Median number of months since assistance last received
Number										
Families with recently unemployed members <sup>1</sup> .....	372	124	247	51	29	148	11	8	20.8	1
War-connected reason <sup>2</sup> .....	147	22	125	25	11	75	7	7	21.9	0
Reasons not war-connected.....	220	98	121	25	18	73	4	1	19.8	1
Illness or other disability.....	115	52	62	10	8	41	2	1	23.5	1
Other <sup>3</sup> .....	105	46	59	15	10	32	2	0	15.2	0
Reasons unknown.....	5	4	1	1	0	0	0	0	(4)	0
Percentage distribution										
Families with recently unemployed members <sup>1</sup> .....	100.0	33.3	66.4	13.7	7.8	39.7	3.0	2.2	-----	.3
War-connected reason <sup>2</sup> .....	100.0	15.0	85.0	17.0	7.5	51.8	4.8	4.8	-----	0
Reasons not war-connected.....	100.0	44.5	55.0	11.3	8.2	33.2	1.8	.5	-----	.5
Illness or other disability.....	100.0	45.2	53.9	8.7	7.0	35.6	1.7	.9	-----	0
Other <sup>3</sup> .....	100.0	43.8	56.2	14.3	9.5	30.5	1.9	0	-----	0
Reasons unknown.....	100.0	(4)	(4)	(4)	(4)	(4)	(4)	(4)	-----	(4)

<sup>1</sup> See table 1, footnote 2.

<sup>2</sup> See table 1, footnote 3.

<sup>3</sup> See table 1, footnote 4.

<sup>4</sup> Base too small for computation.

**Table 4.—Recently unemployed workers in families requesting general assistance in Detroit, by reason of unemployment, and by age group and sex, April 1942**

Reason of unemployment	Recently unemployed workers		Age group				
	Number	Median age	Under 25	25-44	45-64	65 and over	Unknown
<b>Total</b>							
All recently unemployed workers.....	380	35.8	61	225	82	7	5
War-connected reason <sup>1</sup> .....	148	34.9	18	104	25	1	0
Reasons not war-connected.....	227	36.5	42	118	57	6	4
Illness or other disability.....	117	38.7	17	66	31	3	0
Other <sup>2</sup> .....	110	33.2	25	52	26	3	4
Reasons unknown.....	5	( <sup>3</sup> )	1	3	0	0	1
<b>Male</b>							
All recently unemployed workers.....	272	37.2	36	162	66	4	4
War-connected reason <sup>1</sup> .....	131	35.4	15	90	25	1	0
Reasons not war-connected.....	137	39.1	20	70	41	3	3
Illness or other disability.....	65	41.2	7	35	22	1	0
Other <sup>2</sup> .....	72	35.4	13	35	19	2	3
Reasons unknown.....	4	( <sup>3</sup> )	1	2	0	0	1
<b>Female</b>							
All recently unemployed workers.....	108	32.5	25	63	16	3	1
War-connected reason <sup>1</sup> .....	17	( <sup>3</sup> )	3	14	0	0	0
Reasons not war-connected.....	90	32.5	22	48	16	3	1
Illness or other disability.....	52	34.4	10	31	9	2	0
Other <sup>2</sup> .....	38	( <sup>3</sup> )	12	17	7	1	1
Reasons unknown.....	1	( <sup>3</sup> )	0	1	0	0	0

<sup>1</sup> See table 1, footnote 3.

<sup>2</sup> See table 1, footnote 4.

<sup>3</sup> Base too small for computation.

ployment in the Detroit area. From reports published jointly by the U. S. Employment Service for Michigan and the Michigan Unemployment Compensation Commission,<sup>5</sup> the number of unemployed in the Detroit area for each week in April 1942 was estimated as follows:<sup>6</sup>

Week ending:	Number unemployed
Apr. 4.....	76,250
Apr. 11.....	71,800
Apr. 18.....	70,500
Apr. 25.....	68,500

The total number of persons unemployed at some time in April undoubtedly was greater than the highest weekly figure of 76,250. On the basis of the latter figure, however, it can be estimated conservatively that at least 10 percent of the

<sup>5</sup> Weekly Report on Selected Employment Security Activities for weeks of April 4, 11, 18, and 25, 1942.

<sup>6</sup> The weekly reports for April show that approximately 50 percent of the total certifiable claims received in Michigan were filed in the Detroit area. This percentage was applied to weekly estimates of total State unemployment to obtain a rough estimate of unemployment in Detroit.

Wayne County labor force was unemployed in this month. No information is at hand to indicate what proportion lost their jobs because of the war. However, it is believed that the war was directly responsible for the unemployment of three-fourths or about 60,000 of the displaced workers in Wayne County for the month of April.

The extent of new unemployment was also indicated by the trend of initial claims filed for unemployment compensation. A comparison of initial claims filed for each month from November 1941 through April 1942 with claims filed for the corresponding months in 1940 and 1941 clearly shows an increase in claims filed after the declaration of war and the decline in April of this year to a point below April 1941. Initial claims filed in Detroit, Hamtramck, and Highland Park for selected months in 1940, 1941, and 1942 are given below:<sup>7</sup>

	1940	1941
November.....	10,019	14,050
December.....	14,386	104,098
<b>1941</b>		
January.....	13,525	50,906
February.....	10,219	29,797
March.....	9,898	16,862
April.....	15,878	15,288

A large proportion of the claims filed in the early part of 1942 came from workers in plants manufacturing automobiles and allied parts, who were laid off while the plants were being converted to war production.

#### Applications for General Assistance

Although unemployment in Detroit was still of grave proportions in April, it did not react seriously on the general assistance program. The assistance rolls of the Detroit welfare department had been declining steadily and in April were the lowest since 1929. About two-thirds of the families<sup>8</sup> requesting assistance in April had no member who had lost employment recently (table 1). Only 13 percent had members displaced for reasons directly or indirectly connected with the war, such as shortages of materials,

<sup>7</sup> Compiled by Reports and Analysis Division, Bureau of Employment Security.

<sup>8</sup> Data are for 1,129 families included in the study. Schedules were obtained for approximately four-fifths of the applicants during April. For purposes of this study, a worker was considered to be recently unemployed if he lost his job after November 14, 1941, and was still unemployed as of the date on which he applied for assistance. The first important lay-offs because of material shortages and priority orders started in Detroit in November 1941.



**Table 5.—Recently unemployed workers in families requesting general assistance in Detroit, by reason of unemployment and by race, April 1942**

Reason of unemployment	Recently unemployed workers	Race			
		Number		Percent of total	
		White	Negro	White	Negro
All recently unemployed workers.....	380	188	192	49.5	50.5
War-connected reason <sup>1</sup> .....	148	92	56	62.2	37.8
Reasons not war-connected.....	227	93	134	41.0	59.0
Illness or other disability.....	117	46	71	39.3	60.7
Other <sup>2</sup> .....	110	47	63	42.7	57.3
Reasons unknown.....	5	3	2	( <sup>3</sup> )	( <sup>3</sup> )

<sup>1</sup> See table 1, footnote 3.

<sup>2</sup> See table 1, footnote 4.

<sup>3</sup> Base too small for computation.

supplies, or equipment, Government priority, and curtailment or conversion orders. Furthermore, families with members unemployed because of the war comprised only 15 percent of the 511 families approved for assistance (table 2).

Of the 60,000 estimated war-displaced unemployed in Detroit, only 148 or 0.2 percent applied for assistance during April. The lack of demand for assistance from the war-displaced workers was due to several reasons. Probably the most important was the fact that Michigan liberalized its Unemployment Compensation Act late in February, after the House Ways and Means Committee of the U. S. Congress had rejected a war-displacement benefits bill which proposed to supplement State unemployment benefits with Federal funds. The Michigan amendments, effective until May 31, 1943, increased the weekly benefit rate; raised the minimum weekly benefit from \$7 to \$10 and the maximum from \$16 to \$20; reduced the waiting period from 2 weeks to 1; and increased the maximum number of weekly payments from 18 to 20 weeks. In addition, workers who lost jobs prior to the passage of the amendments and had not exhausted their benefit rights also profited from the changes through a redetermination of benefit rights. The immediate result of the new law was to increase the average weekly benefit payment for the State from about \$14.80<sup>9</sup> during the last quarter of 1941 to \$17.45<sup>10</sup> in April 1942. Consequently, most families with members receiving unemployment benefits would be ineligible for general assistance.

<sup>9</sup> Computed from data in the Bulletin, April 1942, p. 51.

<sup>10</sup> Michigan Unemployment Compensation Commission, Weekly Report on Selected Employment Security Activities for weeks of April 4, 11, 18, and 25, 1942.

**Table 6.—Recently unemployed workers in families requesting general assistance in Detroit, by reason of unemployment and by sex, April 1942**

Reason of unemployment	Recently unemployed workers	Sex			
		Number		Percent of total	
		Male	Female	Male	Female
All recently unemployed workers.....	380	272	108	71.6	28.4
War-connected reason <sup>1</sup> .....	148	131	17	88.5	11.5
Reasons not war-connected.....	227	137	90	60.4	39.6
Illness or other disability.....	117	65	52	55.6	44.4
Other <sup>2</sup> .....	110	72	38	65.5	34.5
Reasons unknown.....	5	4	1	( <sup>3</sup> )	( <sup>3</sup> )

<sup>1</sup> See table 1, footnote 3.

<sup>2</sup> See table 1, footnote 4.

<sup>3</sup> Base too small for computation.

Another reason for the small demand for general assistance was the unusually long period of continuous employment at good wages which had been experienced by the displaced workers. Probably most of the workers had been able to accumulate savings and drew on them, as well as on other resources in addition to unemployment compensation, to tide their families over the conversion period. This assumption is borne out in part by the fact that the families who did apply for assistance seem to have been those least able to accumulate savings. These were large families who had not experienced a long period of continuous employment. Approximately 8 out of every 10 families with a member unemployed because of the war had previously received assistance from the agency within the

**Table 7.—Disposition of requests for general assistance in Detroit, by employment status, April 1942**

Employment status	Requests disposed of				
	Total	Approved		Denied	
		Number	Percent	Number	Percent
Total.....	1 781	511	65.4	270	34.6
Families with no recently unemployed member.....	1 492	303	61.6	189	38.4
Families with recently unemployed members, by reason of unemployment <sup>1</sup> .....	289	208	72.0	81	28.0
War-connected reason <sup>2</sup> .....	114	79	69.3	35	30.7
Reasons not war-connected.....	171	127	74.3	44	25.7
Illness or other disability.....	88	72	81.8	16	18.2
Other <sup>3</sup> .....	83	55	66.3	28	33.7
Reasons unknown.....	4	2	( <sup>4</sup> )	2	( <sup>4</sup> )

<sup>1</sup> In addition, 10 families with members in the armed forces requested assistance; 8 were approved.

<sup>2</sup> Estimated.

<sup>3</sup> See table 1, footnote 2.

<sup>4</sup> See table 1, footnote 3.

<sup>5</sup> See table 1, footnote 4.

<sup>6</sup> Base too small for computation.

**Table 8.—Families with recently unemployed members requesting general assistance in Detroit, by unemployment benefit status, April 1942**

Unemployment benefit status	Total	
	Number	Percentage distribution
Total.....	372	100.0
Families not claiming benefits.....	196	52.7
Families claiming benefits.....	175	47.0
Families with claims pending determination..	29	7.8
Families not entitled to benefits.....	115	30.9
Insufficient earnings.....	17	4.6
Disqualified.....	20	5.4
Exhausted benefit rights.....	78	20.9
Families receiving benefits.....	29	7.8
Disposition unknown.....	2	.5
Status unknown.....	1	.3

last 5 years (table 3). In addition, they averaged almost 4 persons per family (table 1).

Undoubtedly, also, in view of the temporary character of the unemployment, families were able to get along without applying for assistance because merchants, landlords, personal loan companies, and other creditors extended credit freely.

#### **Prevalence of Illness Among Applicants for General Assistance**

One of the striking findings of the study was that illnesses and other physical disabilities were responsible for almost as many requests for assistance as were war displacements. Disability was particularly prevalent among older workers, Negroes, and women (tables 4, 5, and 6) and also among workers in the low-paid service industry in which these groups predominate.

About one-tenth of the families applying for assistance stated that illness or other disability was responsible for unemployment in the family. Furthermore, almost half of the families with illness had no previous public assistance history and were forced by illness to apply for assistance for the first time (table 3). One-seventh of all families approved for assistance were families with members unemployed because of illness or other disability (table 2). Moreover, such families had the highest percentage of approvals of any group of applicants (table 7).

Information on illnesses and other disabilities

was collected only for families with recent unemployment. Undoubtedly, the proportion of families with incapacitated members would be considerably higher if data were collected on all families requesting assistance. If all the families without recent unemployment were excluded, those families with illnesses would comprise 35 percent of the approved cases.

#### **Unemployment Compensation Status of Assistance Applicants**

Another salient fact brought out by the study was the extent to which unemployment compensation was effective in protecting workers during the period of war dislocations.

Almost half of the 372 families with recent unemployment who applied for assistance during April had members who had filed claims for unemployment benefits (table 8). About one-third of these families had members who were not entitled to benefits, because they had insufficient earnings, had exhausted benefit rights, or had been disqualified. Some of the individuals who had wage credits in covered industries may have been disqualified because they were unavailable for work as a result of illness or disability.

Despite their relative importance in the number of requests for assistance, however, the 175 families claiming benefits who applied for assistance during April represented an insignificant portion of the 60,000 who were disemployed. The number of workers who applied for WPA employment was also very small. For most of the workers, therefore, benefits and other family resources apparently were sufficient during this period to combat the frictional unemployment resulting from war displacement.<sup>11</sup> Undoubtedly, the liberalization of the Michigan unemployment compensation law was a principal factor in keeping all but a few of the war-displaced workers out of the assistance population.

<sup>11</sup> For contrast and for an indication of the effectiveness of unemployment compensation in Detroit in a period of economic recession, see Creamer, Daniel, and Wellman, Arthur C., "Adequacy of Unemployment Benefits in the Detroit Area During the 1938 Recession," *Social Security Bulletin*, Vol. 3, No. 11 (November 1940), pp. 3-11.

# Washington State Programs for the Blind

GWEN HARDIN \*

*Administrative patterns in State programs for aid to the blind vary among the States as do laws, appropriations, needs, and facilities. This article on the Washington State program is presented for its interest to Bulletin readers in showing the development of one type of State program; it does not imply Social Security Board recommendation for adoption by other States.*

A STATE-WIDE PROGRAM of aid and service to the blind has been in operation in Washington since April 1937 only, although public recognition of special needs of blind persons was given in 1933, when the State legislature placed on each county the responsibility for granting pensions to certain blind individuals. In the 5 years in which the full program has been in operation, it has passed the experimental stage and another 5 years should bring substantially increased opportunities to blind people in the State.

Administrative supervision of the State program is the responsibility of the Division for the Blind, within the State Department of Social Security. Nine distinct programs or services are offered: public assistance payments to needy blind individuals; vocational aid and training; home industry and sale of products; vending-stand installation and supervision; home teaching; distribution and maintenance of talking-book machines; friendly visiting; surgical and other treatment to restore sight or prevent further loss of vision; and a program for prevention of blindness.

Our experience has indicated that a better understanding of the requirements of all these special services can be achieved and a more rounded program to all blind persons can be assured if the special services are combined within the division which administers or supervises aid to the blind. For this reason, and because of the prohibitive cost if not the technical impossibility of furnishing such services on a local or county basis, Washington established the technical services to the blind on a State-wide basis, under the supervision of the Division for the Blind. In Washington, for example, the complete ophthalmological examination required for all applicants for aid to the blind can serve also in determining eligibility for services under the vocational train-

ing, vending-stand, talking-book, and other specialized programs, and in determining the value of preventive or remedial treatment.

Whether they are recipients of aid to the blind or are financially independent, blind persons who are interested in any of the specialized services, such as vocational training or home teaching, make their application to the county welfare department. This application, together with all the facts considered pertinent, is forwarded to the Division for the Blind. From this point the application is handled by a technically trained person in the specialized field in which service is requested from the Division, either through personal conference or further correspondence with the county visitor. Requirements in education and specialized training have been set up through the merit system for home teachers of the blind, and for those responsible for all types of vocational training, working in the Division for the Blind. The county is kept informed of the situation, but the decision as to the feasibility and kind of service to be granted lies entirely within the State Division. To the blind person, however, the specialized services come through or in conjunction with the county welfare department.

*Aid to the blind.*—Financial assistance under the aid to the blind program is administered directly by county welfare departments under the general supervision of the State Division for the Blind. In June 1942 there were 990 recipients of assistance in the State, and the average monthly payment was \$35.77.

If there are a sufficient number of blind persons within a city or county to warrant a specialized case load, the Division encourages such specialization within the county welfare department. The needs of other members of family groups may also be cared for by the special worker to avoid the necessity for two workers. Sixty active cases are considered a full case load. In counties with

\*Supervisor, Division for the Blind, Washington State Department of Social Security.



relatively few blind persons, the use of the special case worker would not be justified.

Approximately 58 percent of the individuals receiving financial assistance would not, even if they had their eyesight, be expected to be even partially self-supporting, because they have passed their sixty-fifth birthday. Another 20 percent are limited to such activities as the home affords, or their physical condition is such that if they were not blind they would still be considered unemployable. For these persons, home-teaching, talking-book, and friendly visiting services are provided. Some 20 percent only are left who can profit by some type of vocational training.

*Vocational training services.*—In the selection of persons for vocational training, recognition is taken of the interests and capabilities of the person and the possibility of using them for self-support. No blind person is accepted for training who does not express the desire to be self-supporting, and it has been found that the majority of the younger blind especially want a chance to work and earn. Sometimes, however, it becomes a responsibility of the social worker in the assistance program or the home teacher to lead a person to the realization of his potential abilities. Moreover, it has been found that the continued supervision and interest of the Division for the Blind is often necessary or even essential to the efforts of the individual to remain self-supporting.

Eligibility for vocational training does not depend on need, although the majority of the persons accepted for training have had to depend on assistance payments from the county welfare department during the training period. To be accepted for vocational training the person must:

1. Be of employable age;
2. Be physically and mentally able to assimilate instruction and develop manual dexterity;
3. Have not more than 20/200 vision in the better eye with proper correction or an equivalent in restricted fields of vision;
4. Have resided in the State continuously for at least a year preceding application.

Before a person is considered for vocational training, the welfare department in his county obtains a complete ophthalmological report. What causes underlie his present situation? Can eyesight be restored? If so, plans can be made for this service. If not, is the condition such that

special care should be exercised as to the type of vocational work chosen? A case of near-blindness from progressive myopia would not be trained in work which would necessitate heavy lifting or bending over a bench for long periods. The ophthalmologist is consulted about work plans whenever there is uncertainty, so that any eyesight, no matter how little, may be protected.

Although the present facilities provide for only one or two occupational-therapy cases at a time, persons who need occupational therapy rather than vocational rehabilitation are accepted whenever equipment is available and instructors have time to give the necessary attention.

A training center for the blind in Seattle serves the entire State. The choice of training is between weaving and basketry at this time. Other products, such as pottery, metal scroll work, and leather goods were tried in the early days of the training center, but it was found that, although these products could be made satisfactorily by blind persons, they could not bring sufficient money returns in a competitive market to warrant continuance. Weaving, however, has proved to be a craft in which a blind worker can be self-supporting. Students are taught weaving of fine woolen yardage—in plain, stripe, plaid, and pattern materials—and also weaving with cottons. In basketry the products include bassinets, fishing creels, fireside baskets, pet baskets, or small baskets for packing fancy fruits and candies.

The costs of operating the training center are met by State funds appropriated to the Division for the Blind. Living arrangements for students during the training period, which averages 4 months, are made by the home county in cooperation with the county welfare departments of King County, where the training center is located. If a person requires financial assistance while he is at the center, he gets it from his county welfare department, usually from funds for aid to the blind. Room and board are available within a few blocks of the center.

When a person enters the training center, he agrees to attend regularly 5 days a week. He first has a conference with the instructor in charge, with whom he discusses his work ambitions, his special interests, what opportunity he has had to use them, and his work in an allied field. From this discussion, plus the trainee's apparent manual dexterity, physical condition, and alertness, comes

the decision as to the type of training he should receive. After a reasonable time for orientation, another conference determines the field in which he is to specialize.

During the period of training, the student receives individual attention with reference to the ease with which he gets about alone, his mannerisms, his ability to meet new people on a common ground, and other traits important to the enjoyment of normal living. The training period at the center is not divorced from social work concepts, but it is divorced from public assistance concepts. The social worker from the county welfare department is discouraged from interviewing a student at the training center and is expected to get necessary information or reports from the instructor in charge. To the student, aid to the blind is something he is putting behind him, and the training center is a means of becoming independent and self-supporting. Experience has proved the wisdom of keeping the two programs within the same Division separated in the student's mind. Their close correlation is left to the instructor and the county welfare department.

*Home-industry program.*—When the person has completed training, he returns to his own community to carry on his work under the home-industry program, usually in his own home. The Division for the Blind lends him any necessary equipment and sends him orders for work with the materials necessary to complete each order. Production and sale of articles are considered feasible only when the average home-industry worker can make at least 50 cents an hour for his work. Workers are paid on a unit piece-work basis, but their earnings vary with their skill and efficiency. Of 21 workers in March 1941, for example, 6 earned less than \$40 during the month and 4 earned \$100 or more.

The home-industry program is financed by a \$15,000 operating fund, which covers the workers' earnings, cost of material and finishing processes, and costs of selling. Merchandise is produced only as orders warrant, and the demand for some articles is seasonal. During the slack season it may be necessary for the home-industry worker to have financial assistance. Since the beginning of 1941, however, no worker participating in the home-industry program found it necessary to apply for aid to the blind.

During the period April 1939–March 1941 it cost the State \$8,407 to operate the home-industry program. During that same period, however, a saving of \$10,374 in assistance payments to the blind was possible because earnings in home industry made assistance unnecessary or decreased the amount needed. In addition, the earnings of the individuals engaged in home industries were one-third greater than the amounts they would otherwise have received in assistance payments. Since these home workers will continue to work and earn their livelihood, the savings to the State will amount to a much greater sum in the next biennium. These savings can well be set against the cost of operating the training program, which amounted to about \$18,000 from April 1939 to March 1941, and it is logical to assume that in another 2 years the savings will easily offset all costs of training.

*Vending stands.*—The Division for the Blind has been designated the State licensing agency for vending stands and is responsible for the establishment and continued supervision of stands placed in Federal and other buildings under the Randolph-Sheppard Act. These stands are operated by blind persons who sell candy, tobacco, magazines, and other small articles. Ownership of the stand remains with the sponsoring organization (usually a nonprofit group), but the vendor buys the initial stock on small payments and becomes the owner of the merchandise handled. The Division for the Blind gives the vendors their initial training and continued supervision and audits the monthly business statements.

For the month of July 1942 the total net earnings from 17 vending stands were \$1,685.97, or an average per stand of \$99.17.

*Other occupations.*—A number of blind persons are also in supervised work in private employment, as clerking in a grocery store or raising chickens or selling insurance. The placement of blind persons in private industry is a direct responsibility of the U. S. Employment Service through a specialized worker on its staff. Close contact is maintained between the employment service worker and the supervisor of the Division for the Blind.

*Home teaching services.*—The home teachers are directly attached to the State office and report daily to the Division for the Blind. Under cooperating arrangements with the county welfare

department, however, the home teachers go into a county and stay there, usually about 4-6 months, making the county welfare department office their headquarters. Under this arrangement, the home teacher is able to discuss with the county visitor the cases known to the county office and can consult with the specialized worker or the case supervisor on social problems arising among those with whom the teacher is working. The county welfare department, on the other hand, is kept aware of developments in the home teaching services.

*Talking-book machines.*—Distribution of talking-book machines is the general responsibility of the Division for the Blind. County welfare departments investigate eligibility, get the contracts signed, plan for the delivery of the talking-book machines, and notify the State office when a machine is in need of repair. At the end of July 1942 the Division had 267 machines on loan.

*Friendly visiting.*—Friendly visiting is a program handled cooperatively between the Division for the Blind, the county welfare department, and the local Junior Women's Club. It may be said that the Division for the Blind takes the initiative in the original development of the program and the county welfare department does the day-by-day work, along with the Junior Women's Clubs, whose members serve as the friendly visitors.

*Restorative treatment and preventive measures.*—Medical advisory and consultant service to the Department of Social Security began in April 1937 with the creation of a Medical Eye Advisory Committee composed of six doctors—five ophthalmologists and one physician from the State Department of Health—all serving on a voluntary basis. The chairman of the Committee, selected as technical consultant, has taken responsibility for final recommendation in all cases in which surgery or other treatment has been authorized. Close cooperation is maintained with State ophthalmologists and the State Departments of Health and of Education.

### **Advisory Committees**

A significant characteristic of the Washington program is its use of lay and professional ad-

visory committees. Members of the Advisory Committee to the Division for the Blind, organized April 5, 1937, were chosen because of their interest in or technical knowledge of the field. The personnel included business executives, ophthalmologists appointed by the State Medical Association, the superintendent of the State School for the Blind, representatives of the State Departments of Health and of Vocational Rehabilitation, blind persons representing various sections of the State, and representatives of civic organizations. All new policies are discussed with the Committee, as well as the progress made in developing the various phases of the programs. The Advisory Committee also works through subcommittees, each one headed by an Advisory Committee member. A standing subcommittee is the Medical Eye Advisory Committee, the chairman of which is the ophthalmologist on the Advisory Committee. This subcommittee is responsible for setting up and maintaining an authorized list of eye physicians, and it works with the Division in establishing fee schedules and in defining the scope and work to be covered by the programs of prevention and of treatment.

Back of the service programs in Washington is the hope that the blind may have greater opportunity to live a normal life and that communities will realize that the blind can and will, if given the opportunity, take their place with sighted people in both industry and community activities. Sir Arthur Pearson stated concisely some of the essentials to be considered in a program for the blind: "Happiness comes from doing, from exercising one's creative faculties, whatever they may be; and he who finds ample opportunity for fundamental expression needs no one's pity—don't pity the blind. They don't want your pity, and they can't use it if you give it to them. There is something they want, and something for which they have a right to ask—that is, the normal spirit you are willing to extend to equals everywhere." Helen Keller has said: "It is good to give the infirm a living; it is better still to give them a life worth living; it is not so much the infirmity that causes unhappiness as a useless, dependent existence."



# PUBLIC ASSISTANCE

## BUREAU OF PUBLIC ASSISTANCE

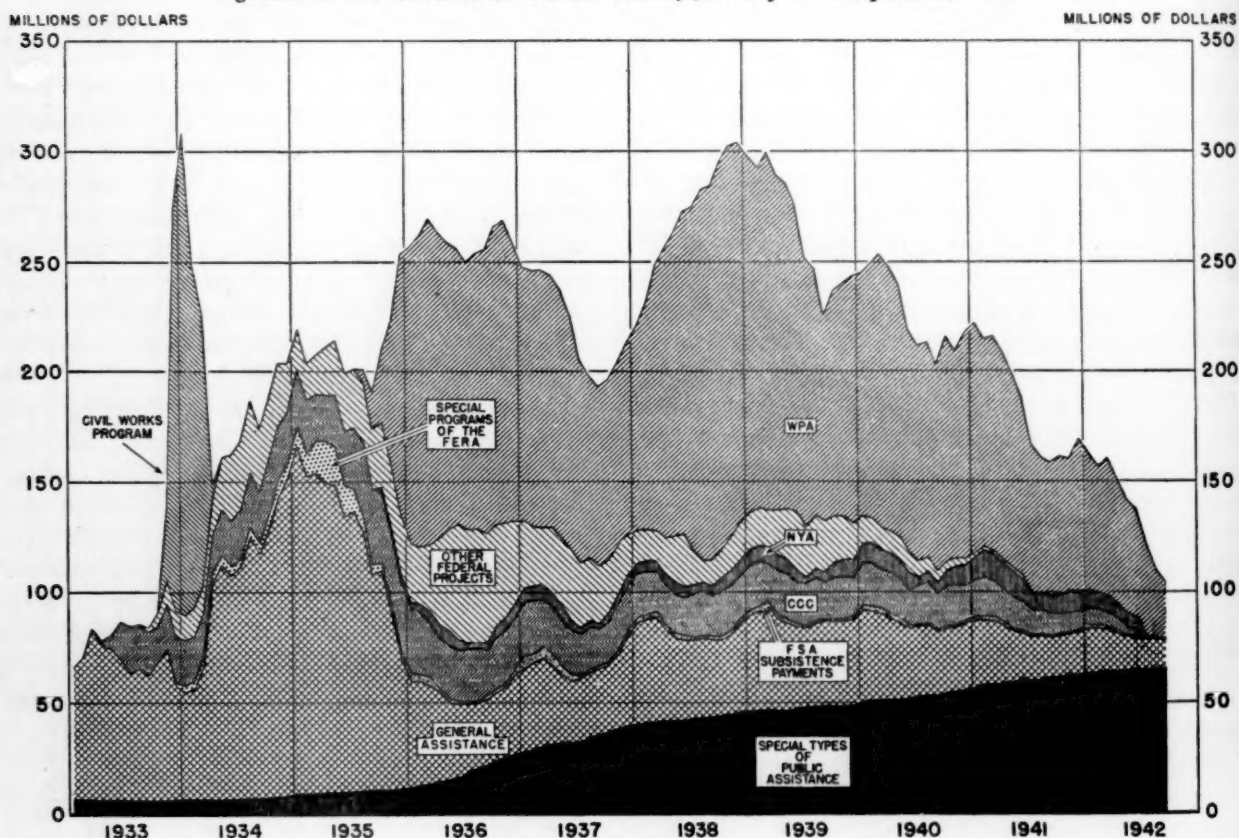
During September, for the sixth consecutive month, public assistance and earnings under the Federal work programs in the continental United States declined. Expenditures amounted to \$105 million, 4 percent less than in the preceding month and 34 percent below September 1941. The general assistance and WPA programs were the main contributors to the decrease.

August-September changes of 2 percent or less in recipients and payments occurred in all three of the special types of public assistance. The number of recipients of old-age assistance decreased for the third consecutive month, while payments increased for the sixth consecutive month; recipients were 1.8 percent higher than in September 1941, and payments were 8.9 percent higher, reflecting the increase in average payment per recipient. Pay-

ments for aid to dependent children were higher than in the same month of the preceding year. For the first time on record, however, the number of families receiving aid to dependent children was lower than in the same month of the previous year; decreases of more than 10 percent occurred in 18 States. Both families and payments were less than in August. Recipients of aid to the blind and payments showed increases over the previous month and over the same month a year ago.

General assistance cases declined 4 percent from August 1942 and 35 percent from September 1941; payments to these cases declined 2 and 30 percent, respectively. There were 11 percent fewer WPA employees than in the preceding month and 62 percent fewer than in September 1941. Their total earnings dropped 15 and 56 percent, respectively.

**Chart 1.—Payments to recipients of public assistance and earnings of persons employed under Federal work programs in the continental United States, January 1933-September 1942**



Old-age assistance accounted for 48.0 percent of total expenditures for the month; aid to dependent children, 12.4 percent; aid to the blind, 2.0 percent; general assistance, 12.4 percent; and WPA, 25.2 percent. Old-age assistance represented only 29.1 percent of the total for September 1941.

In States with plans approved by the Social Security Board, the number of recipients of old-age assistance was smaller than in the previous month

in 37 States, aid to the blind in 29 States, and the number of families receiving aid to dependent children in 37 States. In the continental United States, only Alabama, Maryland, New Mexico, and Wyoming reported increases from August in general assistance cases; and Alabama and Arkansas alone reported increases from September 1941. The number of persons employed by the WPA decreased in all States.

**Table 1.—Public assistance and Federal work programs in the continental United States, by month, September 1941–September 1942<sup>1</sup>**

[In thousands]

Year and month	Total	Special types of public assistance			General assistance	Farm Security Administration <sup>2</sup>	Civilian Conservation Corps <sup>3</sup>	National Youth Administration <sup>4</sup>		Work Projects Administration <sup>5</sup>	Other Federal agency projects financed from emergency funds <sup>6</sup>	
		Old-age assistance	Aid to dependent children					Student work program	Out-of-school work program			
			Families	Children								
Number of recipients and persons employed												
1941												
September.....		2,205	384	926	75	818	11	159	34	308	1,007	5
October.....		2,214	385	928	76	796	13	144	273	288	1,009	4
November.....		2,224	385	928	77	782	16	143	341	303	1,027	2
December.....		2,234	390	941	77	798	26	126	333	283	1,023	2
1942												
January.....		2,240	396	953	78	836	42	115	306	234	995	2
February.....		2,241	399	960	78	817	46	107	256	231	998	2
March.....		2,245	401	965	78	785	38	95	247	220	933	1
April.....		2,245	401	963	78	723	24	76	237	205	837	(7)
May.....		2,248	399	958	79	657	14	64	215	181	759	(7)
June.....		2,250	395	949	79	607	12	53	135	184	671	(7)
July.....		2,249	390	937	79	566	(7)	(7)	0	(7)	505	(7)
August.....		2,248	386	928	79	550	(7)	(7)	0	(7)	428	(7)
September.....		2,245	382	919	79	528	(7)	(7)	1	(7)	382	(7)
Amount of assistance and earnings												
1941												
September.....	\$158,766	\$46,190	\$12,565		\$1,910	\$18,503	\$318	\$10,665	\$150	\$7,384	\$60,439	\$642
October.....	151,387	46,863	12,701		1,949	18,570	372	9,616	1,731	7,115	61,976	494
November.....	160,420	47,236	12,842		1,969	18,440	509	9,572	2,364	7,419	59,745	323
December.....	169,890	47,523	13,111		1,993	19,477	748	8,448	2,290	6,849	68,971	480
1942												
January.....	162,106	47,931	13,310		2,029	20,141	1,404	7,686	1,842	5,747	61,763	253
February.....	157,488	45,522	13,553		2,017	19,225	1,663	7,135	1,675	5,656	57,807	235
March.....	159,470	45,283	13,639		2,029	18,820	1,383	6,332	1,670	5,407	61,786	121
April.....	150,349	45,458	13,591		2,037	17,182	907	5,071	1,637	5,101	56,306	59
May.....	141,426	45,903	13,451		2,038	15,394	496	4,262	1,555	4,787	50,806	34
June.....	135,388	49,128	13,321		2,054	14,149	418	3,544	956	4,929	46,861	28
July.....	120,016	49,578	13,219		2,055	13,647	(7)	(7)	0	(7)	41,517	(7)
August.....	109,686	50,037	13,330		2,069	13,312	(7)	(7)	0	(7)	30,938	(7)
September.....	104,889	50,312	13,054		2,083	12,998	(7)	(7)	10	(7)	26,432	(7)

<sup>1</sup> Partly estimated and subject to revision. For 1933 data, see the Bulletin, February 1941, pp. 66 and 68; for January 1934–August 1941, see the Bulletin, February 1942, pp. 26–29. For definitions of terms, see the Bulletin, September 1941, pp. 50–52; see also footnotes 3–6.

<sup>2</sup> Data from the FSA.

<sup>3</sup> Data from the CCC. Beginning July 1941, earnings of persons enrolled estimated by the CCC by multiplying average monthly number of persons enrolled by average of \$67.20 for each month for enrollees other than Indians and \$80.50 for Indians.

<sup>4</sup> Data from the NYA. Beginning July 1941, number employed on out-of-school work program based on an average of weekly employment counts during month.

<sup>5</sup> Data from the WPA. Beginning July 1942, amount of earnings represents expenditures (approved vouchers) for labor during month.

<sup>6</sup> Data from the Bureau of Labor Statistics. Beginning October 1941, represents employment and earnings on projects financed from PWA funds only; data not available for other Federal agency projects financed under Emergency Relief Appropriation acts, but latest available reports showed total monthly employment of approximately 1,000 and monthly earnings of approximately \$100,000.

<sup>7</sup> Less than 500 persons.

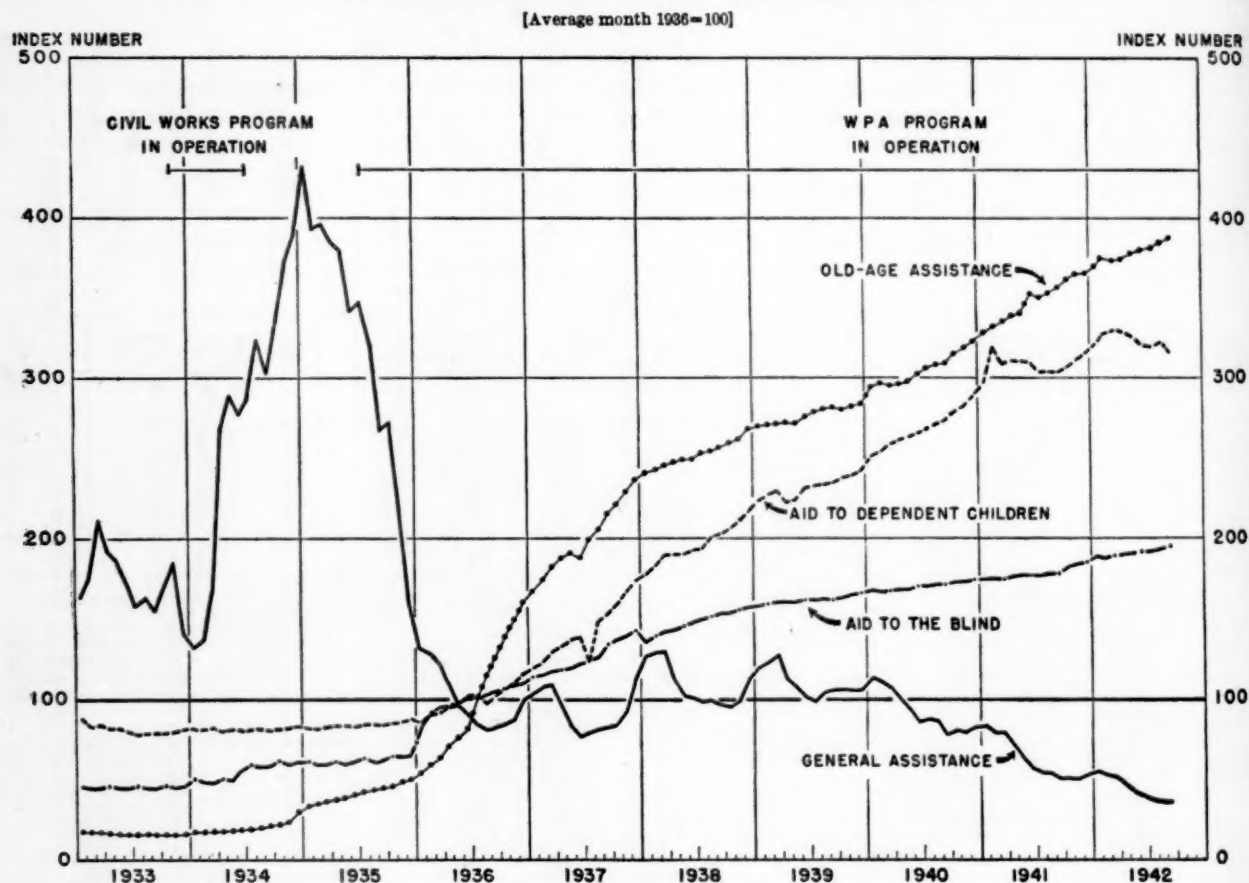
<sup>8</sup> For changes in series, see the Bulletin, September 1942, pp. 32 ff.

**Table 2.—Special types of public assistance: Recipients and payments to recipients in States with plans approved by the Social Security Board, by month, September 1941–September 1942 <sup>1</sup>**

Year and month	Number of recipients				Amount of payments to recipients			
	Old-age assistance	Aid to dependent children		Aid to the blind	Total	Old-age assistance	Aid to dependent children	Aid to the blind
		Families	Children					
1941								
September	2, 208, 127	372, 366	901, 151	50, 412	\$59, 748, 353	\$46, 258, 788	\$12, 295, 936	\$1, 193, 629
October	2, 217, 351	380, 895	919, 682	51, 791	60, 769, 958	46, 932, 298	12, 606, 360	1, 231, 300
November	2, 227, 616	381, 191	919, 944	52, 187	61, 311, 517	47, 305, 062	12, 759, 465	1, 246, 990
December	2, 237, 842	387, 160	934, 983	52, 616	61, 924, 352	47, 592, 299	13, 068, 695	1, 263, 358
1942								
January	2, 243, 339	393, 109	947, 970	53, 095	62, 550, 649	48, 001, 120	13, 271, 190	1, 278, 339
February	2, 244, 703	396, 417	954, 868	53, 455	63, 396, 366	48, 592, 406	13, 511, 395	1, 292, 568
March	2, 248, 637	398, 533	959, 196	53, 764	63, 252, 291	48, 353, 231	13, 597, 643	1, 301, 417
April	2, 248, 480	397, 724	956, 922	53, 914	63, 387, 765	48, 528, 225	13, 549, 280	1, 310, 260
May	2, 250, 988	395, 742	952, 038	54, 129	63, 691, 944	48, 973, 118	13, 405, 449	1, 313, 377
June	2, 253, 308	392, 182	943, 080	54, 378	63, 799, 817	49, 197, 634	13, 276, 979	1, 325, 204
July	2, 252, 097	386, 800	930, 621	54, 480	64, 155, 411	49, 648, 127	13, 173, 249	1, 334, 033
August	2, 251, 040	383, 459	921, 422	54, 601	64, 733, 510	50, 108, 701	13, 283, 744	1, 341, 068
September	2, 248, 275	379, 604	912, 776	54, 651	64, 747, 470	50, 384, 106	13, 008, 969	1, 354, 396

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50–52.

**Chart 2.—Index of payments to recipients of the special types of public assistance and general assistance in the continental United States, January 1933–September 1942**





**Table 3.—Food stamp plan: Number of areas included and participants, and value of stamps issued in the continental United States, by month, September 1941–September 1942<sup>1</sup>**

Year and month	Number of areas included <sup>2</sup>	Number of participants <sup>3</sup>		Value of food stamps issued
		Cases	Persons	
<b>1941</b>				
September.....	389	1,122,628	3,598,200	\$9,645,306
October.....	390	1,083,306	3,447,700	9,078,800
November.....	390	1,061,094	3,331,300	8,803,766
December.....	398	1,044,201	3,450,400	9,395,102
<b>1942</b>				
January.....	399	1,095,636	3,528,100	9,428,392
February.....	1,307	1,115,946	3,589,600	9,605,399
March.....	1,388	1,092,103	3,584,000	9,783,140
April.....	1,458	1,043,931	3,322,700	9,246,138
May.....	1,481	986,175	3,094,000	8,718,110
June.....	1,528	925,010	2,854,100	8,133,159
July.....	1,533	851,471	2,599,700	7,674,472
August.....	1,559	835,419	2,467,900	7,274,509
September <sup>4</sup> .....	1,558	790,431	2,339,300	6,917,323

<sup>1</sup> Data exclude persons receiving commodities under direct distribution program of the Agricultural Marketing Administration and value of such commodities.

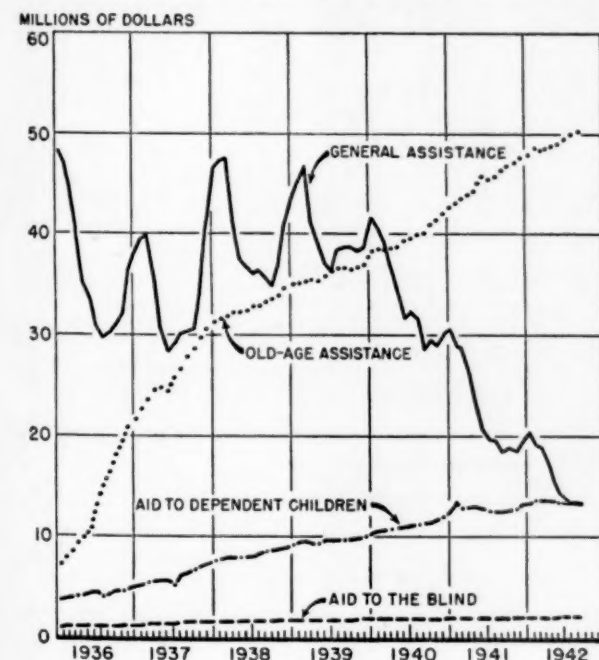
<sup>2</sup> Through January 1942, an area represents a city, county, or group of counties; beginning with February 1942, an area represents a county or city.

<sup>3</sup> Includes recipients of 3 special types of public assistance and of subsistence payments from the FSA; recipients of, and those eligible for, general assistance; persons certified as in need of assistance and employed on or awaiting assignment to projects financed by the WPA. Includes for 1 area (Shawnee, Okla.) some low-income families having weekly income of less than \$19.50 who have been eligible to participate since October 1939.

<sup>4</sup> Preliminary.

Source: U. S. Department of Agriculture, Agricultural Marketing Administration.

**Chart 3.—Payments to recipients of the special types of public assistance and general assistance in the continental United States, January 1936–September 1942**



**Table 4.—General assistance: Cases and payments to cases, by State, September 1942<sup>1</sup>**

State	Number of cases receiving assistance	Amount of payments to cases	Average payment per case	Percentage change from—			
				August 1942 in—		September 1941 in—	
				Number of cases	Amount of payments	Number of cases	Amount of payments
<b>Total<sup>2</sup>.....</b>	<b>529,000</b>	<b>\$13,025,000</b>	<b>\$24.61</b>	<b>-4.0</b>	<b>-2.3</b>	<b>-35.3</b>	<b>-29.7</b>
Ala.....	2,404	23,401	9.73	( <sup>3</sup> )	+6	+2.9	+12.0
Alaska.....	236	10,461	44.33	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
Ariz.....	2,616	51,982	19.87	-2	-5	-2.6	+3.6
Ark.....	3,775	25,751	6.29	-3.0	-3.4	+16.9	+61.4
Calif.....	21,019	503,645	23.96	-7.6	-6.7	-40.6	-33.1
Colo.....	6,935	127,519	18.29	-5.0	-4.5	-21.7	-9.2
Conn.....	4,509	124,045	27.51	-4.5	-3.7	-40.0	-37.6
Del.....	4,479	9,774	20.41	-1.0	+2.6	-40.6	-37.5
D. C.....	1,388	36,061	25.98	-5.7	-2.8	-38.7	-34.6
Fla.....	6,675	47,151	7.06	-3	-2.4	-19.3	-19.2
Ga.....	4,524	35,916	7.94	-4.5	-3.1	-22.7	-8.7
Hawaii.....	753	16,175	21.48	-5	-8	-17.3	-8.1
Idaho.....	1,045	15,934	15.25	-2.2	-3.1	-23.2	-13.0
Ill.....	66,604	1,795,982	26.97	-2.5	-1	-58.7	-23.4
Ind.....	13,560	211,615	15.61	-1.3	+6.3	-43.9	-38.2
Iowa.....	11,391	180,143	15.81	-4.8	-1.5	-31.0	-27.1
Kans.....	7,100	130,933	18.44	-4.0	-7	-39.8	-29.7
Ky.....	3,100	53,000	17.10	-4.9	-6.0	-53.8	-50.1
La.....	740	18,866	25.50	-2.0	+9.0	-36.2	-27.4
Maine.....	3,639	91,811	25.23	-2.0	-2.8	-31.6	-27.5
Md.....	5,041	137,239	27.23	+1.7	+6.9	-16.8	-8.9
Mass.....	25,105	629,229	25.06	-2.8	-7	-29.5	-28.6
Mich.....	22,139	510,623	23.06	-5.2	-3.7	-37.8	-22.5
Minn.....	12,943	268,166	20.72	-4.4	-2	-36.4	-35.9
Miss.....	518	2,738	5.29	-18.2	-9.6	-26.1	+11.3
Mo.....	12,642	196,402	15.56	-2.5	+4.0	-16.0	-5.0
Mont.....	1,735	29,633	17.08	-2.3	+2.2	-33.1	-26.5
Nebr.....	3,605	46,154	12.80	-2.7	+3.0	-31.8	-17.4
Nev.....	353	5,869	16.63	-20.6	+1.6	-30.2	-18.4
N. H.....	2,685	59,979	22.30	-2.0	-2.8	-31.6	-27.5
N. J.....	14,712	348,261	23.67	-4.3	-9	-38.4	-35.0
N. Mex.....	1,163	15,455	13.29	+1.5	+34.5	-17.5	+74.9
N. Y.....	129,809	4,945,091	38.10	-3.5	-3.4	-29.4	-27.9
N. C.....	3,423	25,950	7.58	-4.7	-9	-14.8	-5.7
N. Dak.....	1,343	21,349	15.90	-5.9	-9	-31.3	-23.2
Ohio.....	27,578	529,887	19.21	-4.9	-2.9	-36.4	-32.6
Okl.....	6,956	34,915	( <sup>3</sup> )	( <sup>3</sup> )	-7.6	( <sup>3</sup> )	-26.2
Oreg.....	3,392	79,376	23.40	-5.0	-2.6	-38.0	-20.0
Pa.....	44,634	900,439	20.08	-4.0	-1.8	-52.2	-49.3
R. I.....	2,928	104,977	35.85	-13.6	-10.3	-39.9	-11.8
S. C.....	2,313	20,200	8.73	-1.5	-4.2	-2.0	+4.8
S. Dak.....	1,574	21,794	13.85	-13.3	-16.1	-33.4	-28.7
Tenn.....	2,000	14,000	7.00	-11.3	-6.4	-34.9	-21.4
Tex.....	5,887	65,498	11.13	-5.6	-5.2	-40.7	-37.4
Utah.....	2,415	67,001	27.74	-7.3	-6.7	-21.3	-11.5
Vt.....	1,061	21,843	20.59	-1.6	-2.1	-18.5	-11.5
Wash.....	4,898	121,159	24.74	-5.8	-5.8	-34.4	-6.0
W. Va.....	10,623	119,667	11.26	-8.6	-8.1	-15.0	-5.8
Wis.....	12,729	271,259	21.31	-6.1	-5.2	-36.6	-33.2
Wyo.....	660	11,759	17.82	+2.6	-7	-14.2	-6.9

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52.

<sup>2</sup> Partly estimated; does not represent sum of State figures, because an estimated number of cases receiving medical care, hospitalization, and/or burial only and total payments for these services in 3 States have been excluded, and data on cases aided in Oklahoma estimated to exclude duplication.

<sup>3</sup> Increase of less than 0.05 percent.

<sup>4</sup> Data not reported previous to September 1942.

<sup>5</sup> State program only; excludes program administered by local officials.

<sup>6</sup> Includes unknown number of cases receiving medical care, hospitalization, and/or burial only, and total payments for these services.

<sup>7</sup> Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments.

<sup>8</sup> Amount of payments shown represents approximately 70 percent of total expenditures.

<sup>9</sup> Estimated.

<sup>10</sup> Represents assistance to employables in New Orleans and a small amount in scattered parishes; State-wide program discontinued as of June 30, 1942.

<sup>11</sup> Includes cases receiving medical care only; number believed by State agency to be insignificant.

<sup>12</sup> Represents 3,185 cases aided under program administered by State board of public welfare, and 3,771 cases aided by county commissioners; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.

<sup>13</sup> Partly estimated.

**Table 5.—Old-age assistance: Recipients and payments to recipients, by State, September 1942<sup>1</sup>**

State	Number of recipients	Amount of payments to recipients	Average payment per recipient	Percentage change from—			
				August 1942 in—		September 1941 in—	
				Number of recipients	Amount of payments	Number of recipients	Amount of payments
Total <sup>2</sup>	2,248,275	\$50,384,106	\$22.41	-0.1	+0.5	+1.8	+8.9
Ala.	21,815	214,261	9.82	-4	-6	+7.3	+15.3
Alaska	1,552	46,056	29.68	-7	-3	-0	+8
Ariz.	9,597	333,358	34.74	+5	+8	+6.0	+9.3
Ark.	25,048	225,701	9.01	-4	+4.3	-2.3	+15.3
Calif.	155,937	5,690,858	36.49	-4	-3	-1.6	-1.5
Colo.	42,512	1,573,705	37.02	( <sup>3</sup> )	-1	-4	+2.9
Conn.	17,363	515,011	29.66	-6	-3	-1.3	+1.2
Del.	2,233	29,008	12.99	-1.4	-1.2	-9.9	-1.6
D. C.	3,486	94,075	26.99	-8	+1.1	-5	+3.8
Fla.	43,591	624,336	14.32	+1	+3	+14.5	+23.6
Ga.	68,311	613,452	8.98	+7	+1.3	+29.8	+38.6
Hawaii	1,644	25,746	15.66	-7	+1.6	-10.7	+9.3
Idaho	9,799	241,866	24.68	-3	+1	+2.4	+11.2
Ill.	150,862	4,097,751	27.16	+1	+9	+1.4	+15.8
Ind.	70,192	1,418,701	20.21	-1	+7	+2.2	+11.1
Iowa	56,184	1,221,200	21.74	-2	+3	-1.7	+1.7
Kans.	30,887	708,385	22.93	-5	+9	+3.8	+14.9
Ky.	54,762	553,319	10.10	-1.1	-1.4	-7.6	+3.9
La.	35,485	477,847	13.47	-1.0	-4	-4	+1.8
Maine	16,208	347,660	21.45	+1.2	+1.6	+16.0	+19.1
Md.	15,849	309,589	19.53	-1.5	-5	-10.1	-2.6
Mass.	86,163	2,879,047	33.41	( <sup>3</sup> )	+1	-1.2	+13.9
Mich.	91,180	1,836,837	20.15	-3	+3	-8	+13.9
Minn.	62,840	1,419,732	22.59	-1	+6	-9	+3.9
Miss.	26,781	241,974	9.04	( <sup>3</sup> )	( <sup>3</sup> )	-1.3	+8
Mo.	114,261	1,557,314	13.63	-2	+5	-1.7	+4.5
Mont.	12,411	285,322	22.99	-2	+3	-4	+10.0
Nebr.	29,102	604,960	20.79	-6	+10.5	-7	+19.6
Nev.	2,178	67,381	30.94	-6	-5	-4.9	+4.8
N. H.	7,262	167,451	23.06	-2	+6	+2.3	+6.8
N. J.	29,429	679,282	23.08	-6	+4	-4.9	+8
N. Mex.	5,175	86,946	16.80	+1	+1.9	+7.4	+9.0
N. Y.	117,941	3,305,920	28.03	( <sup>3</sup> )	+1.9	-3.4	+9.3
N. C.	39,287	408,458	10.35	( <sup>3</sup> )	+1	+2.0	+4.0
N. Dak.	9,451	178,330	18.87	-4	+3	+6	+6.8
Ohio	139,244	3,390,258	24.35	( <sup>3</sup> )	+4	+4	+4.0
Okla.	78,060	1,606,141	20.58	+1	+3	+9	+15.1
Oreg.	21,411	514,340	24.02	-6	+4	-6	+9.7
Pa.	96,513	2,362,574	24.48	-5	( <sup>3</sup> )	-6.0	+2.4
R. I.	7,448	180,908	24.29	-3	+8	+3.6	+20.2
S. C.	21,393	220,324	10.30	+3	-5	+15.5	+38.2
S. Dak.	14,674	283,364	19.31	-1	+1	-1.7	+2
Tenn.	40,642	502,376	12.36	+4	+3	+2.1	+23.9
Tex.	178,175	3,619,049	20.31	+7	+1.9	+18.6	+28.7
Utah	14,444	390,268	27.02	-5	-4	-8	-1
Vt.	5,470	97,543	17.83	-5	( <sup>3</sup> )	-4.4	-3
Va.	19,529	202,959	10.39	-4	( <sup>3</sup> )	-3.5	-6
Wash.	63,991	2,152,053	33.63	-6	-5	+4.9	+7.5
W. Va.	23,541	417,575	17.74	-1.1	-8	+14.1	+23.7
Wis.	53,451	1,273,157	23.91	-2	+2	-1.6	+2.7
Wyo.	3,511	87,378	24.89	( <sup>3</sup> )	( <sup>3</sup> )	-5	+2.9

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52.

<sup>2</sup> All 51 States have plans approved by the Social Security Board.

<sup>3</sup> Includes \$115,529 incurred for payments to 3,118 recipients 60 but under 65 years of age.

<sup>4</sup> Decrease of less than 0.05 percent.

<sup>5</sup> Increase of less than 0.05 percent.

**Table 6.—Aid to the blind: Recipients and payments to recipients, by State, September 1942<sup>1</sup>**

State	Number of recipients	Amount of payments to recipients	Average payment per recipient	Percentage change from—			
				August 1942 in—		September 1941 in—	
				Number of recipients	Amount of payments	Number of recipients	Amount of payments
Total	79,133	\$2,084,484	\$26.34	+0.2	+0.7	+5.6	+9.1
Total, 44 States <sup>2</sup>	54,651	1,354,395	24.78	+1	+1.0	+8.4	+13.3
Ala.	651	6,738	10.35	( <sup>3</sup> )	-8	+4.2	+19.0
Ariz.	419	14,264	34.04	-1.6	+1.0	+3.7	+12.2
Ark.	1,171	12,022	10.27	-8	+2.8	+1.9	+16.6
Calif.	7,091	332,168	46.84	-3	-3	-3.0	-2.6
Colo.	637	21,479	33.72	-2	-1	+3.7	+8.7
Conn.	204	5,892	28.88	-2.9	-11.7	-4.2	-7.7
D. C.	296	9,972	33.69	-3	-1.4	+26.5	+38.7
Fla.	2,731	41,667	15.26	-1	+2	+4.2	+12.6
Ga.	2,120	24,884	11.74	+1.0	+1.6	+28.3	+37.1
Hawaii	74	1,350	18.24	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
Idaho	275	7,071	25.71	+4	+1.9	-3.2	+10.0
Ill.	7,458	\$28,531	38.67	+8.4	+1.8	-1.8	+4.6
Ind.	2,369	65,228	27.53	+1	+15.5	+7	+32.2
Iowa	1,542	42,739	27.72	+3	+6	-3	+14.1
Kans.	1,320	32,106	24.32	-8	-7	-3.9	+8.0
La.	1,363	23,361	17.14	+4	+1.2	+9.2	+11.1
Maine	1,050	23,930	22.79	-9	-8	-3.2	-3.1
Md.	588	13,546	23.04	-2.2	-1.5	-9.8	-4.5
Mass.	1,099	27,476	25.00	-6	-3	-7.6	-2.8
Mich.	1,394	36,817	26.60	-4	+1	+5.8	+15.3
Minn.	1,035	29,159	28.17	-4	+1.3	+3.6	+8.6
Miss.	1,364	14,538	10.66	-1	-1	+17.7	+30.3
Mo.	\$3,100	\$4,900					
Mont.	314	7,840	24.97	-3.7	-3.0	+10.2	+22.2
Nebr.	723	15,746	21.78	( <sup>3</sup> )	+1	-2.7	+1.0
Nev.	86	54.15	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
N. H.	329	7,716	23.45	-9	-5	-1.2	-8
N. J.	708	17,788	25.12	-1	+1.6	-4.8	-2.6
N. Mex.	240	4,818	20.08	+8	+3.7	+3.9	+12.6
N. Y.	2,835	82,150	28.98	+2.1	+3.4	-1.5	+9.0
N. C.	2,248	34,186	15.21	+3	+3	+8.9	+10.7
N. Dak.	134	3,442	25.69	+1.5	-2.0	( <sup>3</sup> )	+19.6
Ohio	3,886	83,001	21.36	-4	+5	-2.4	+2.9
Okla.	2,174	50,724	23.33	-9	-7	-5	+29.2
Oreg.	453	13,256	29.26	-7	+1.2	-4.4	+7.9
Pa.	13,904	415,718	\$9.60	-5	-6	+3	+8
R. I.	95	2,179	22.94	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
S. C.	827	8,590	10.39	-1	+8	+2.9	+7.5
S. Dak.	255	3,893	15.27	-8	-9	-4	-1.8
Tenn.	1,664	20,876	12.55	( <sup>3</sup> )	+2	+2.1	+14.2
Tex.	3,593	82,596	22.99	+4.4	+4.4	( <sup>3</sup> )	( <sup>3</sup> )
Utah	162	4,567	28.19	-1.8	-1.5	-9.5	-3.7
Vt.	157	3,556	22.65	-1.9	-1.1	-2.5	+1.1
Va.	1,070	13,867	12.96	-7	-7	+1.4	+3.6
Wash.	948	33,991	35.86	-1.9	-2.1	-9.9	-7.7
W. Va.	1,034	23,406	22.64	-6	-5	+13.0	+24.4
Wis.	1,886	46,041	24.41	-7	-9	-4.7	-1.9
Wyo.	133	3,759	28.26	+8	+1.8	-5.7	+1.0

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered under State laws from State and/or local funds without Federal participation. Delaware and Alaska do not have programs for aid to the blind.

<sup>2</sup> Total for States with plans approved by the Social Security Board. In addition, Federal funds were available for Kentucky but no payments were made under approved plan for September.

<sup>3</sup> No change.

<sup>4</sup> Includes program administered under State law without Federal participation.

<sup>5</sup> Not computed; less than 100 recipients.

<sup>6</sup> Estimated.

<sup>7</sup> No program for aid to the blind for September 1941.

Table 7.—Aid to dependent children: Recipients and payments to recipients, by State, September 1942<sup>1</sup>

State	Number of recipients		Amount of payments to recipients	Average payment per family	Percentage change from—					
	Families	Children			August 1942 in—			September 1941 in—		
					Number of recipients		Amount of payments	Number of recipients		Amount of payments
					Families	Children		Families	Children	
Total.....	383,250	921,377	\$13,088,200	\$34.15	-1.0	-1.0	-2.1	-0.5	-0.9	+3.8
Total, 47 States <sup>1</sup> .....	379,604	912,776	13,008,969	34.27	-1.0	-0.9	-2.1	+1.9	+1.3	+5.8
Alabama.....	5,523	15,744	90,712	16.42	-1.3	-1.5	-2.2	-4.2	-5.6	+10.9
Alaska.....	46	187	8,839	49.76	-4.3	-5.2	-5.4	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Arizona.....	2,109	5,706	72,105	34.19	-3.6	-3.2	-3.2	-14.1	-14.1	-11.4
Arkansas.....	6,108	16,021	92,228	15.10	-7	-5	+3.3	-4.0	-1.8	+8.2
California.....	11,866	28,484	651,125	54.87	-4.5	-4.4	-3.9	-22.9	-22.2	-11.2
Colorado.....	5,471	13,548	169,911	31.06	-2.1	-1.8	-1.9	-12.1	-11.4	-9.8
Connecticut.....	2,002	5,190	119,161	59.52	+4.3	+4.9	+5.4	+65.7	+87.0	+132.4
Delaware.....	414	1,185	14,612	35.29	-3.9	-8.8	-1.5	-29.8	-29.1	-25.7
District of Columbia.....	1,053	3,220	41,079	39.01	-8	-9	+2.6	+4.6	+9.3	+9.4
Florida <sup>3</sup> .....	5,437	12,978	132,973	24.46	+2.6	+2.8	-8	+26.3	+21.9	+30.4
Georgia.....	4,669	11,346	105,980	22.70	-5	-8	-3	+1.2	( <sup>2</sup> )	+5.2
Hawaii.....	752	2,333	31,827	42.32	-3.2	-3.7	-1.0	-32.6	-34.7	-21.2
Idaho.....	2,709	7,035	91,732	33.86	-3.0	-2.5	-2.5	-11.9	-9.6	-2.5
Illinois.....	23,172	52,555	754,995	32.58	+2.5	+2.3	+2.3	+212.8	+217.1	+331.2
Indiana.....	14,035	29,549	439,581	31.32	-1.8	-1.5	-1.2	-11.8	-10.7	-7.0
Iowa.....	5,081	6,788	58,458	19.10	-1.9	-2.3	-5.1	-10.3	-11.4	-9.2
Kansas.....	6,348	15,493	227,255	35.80	-2.3	-2.0	+3	-3.0	-7	+13.1
Kentucky.....	7,459	11,473	116,100	27.05	-3.9	-3.7	-2.8	-8.0	-7.4	-6.0
Louisiana.....	14,042	35,923	379,863	42.87	-1	+2	+1.2	+5.4	+12.5	+14.3
Maine.....	1,782	5,002	76,398	33.64	-3.6	-3.4	-4	-20.5	-19.6	-16.5
Maryland.....	4,814	13,344	161,951	57.96	-6	-1.0	+3.4	-7.8	-8.4	-3.7
Massachusetts.....	11,514	28,103	667,357	43.33	-2.8	-4	-2.8	-9.4	-10.8	-3.9
Michigan.....	19,428	45,082	841,813	34.93	-1.1	-1.2	-1.0	-8.6	-6.9	-6.5
Minnesota.....	2,565	6,577	51,761	20.18	-2	( <sup>2</sup> )	-1	+16.8	+14.2	+14.3
Mississippi.....	13,893	31,903	422,662	30.42	-6	-6	-5	-2.7	-3.2	+29.1
Missouri.....	2,420	6,021	75,777	31.31	-2.4	-2.1	-2.0	-7.6	-6.2	-2.4
Montana.....	4,982	11,250	157,083	31.53	-3.5	-3.0	+7.4	-13.3	-12.6	-7
Nebraska.....	1,071	2,158	54,498	24.18	( <sup>2</sup> )	+5	+4	-16.1	-23.8	-18.9
Nevada.....	852	2,136	41,257	48.42	+1.1	+0	( <sup>2</sup> )	+25.5	+26.3	+36.2
New Hampshire.....	7,650	17,510	244,371	31.94	-1.3	-1.0	-9	-21.7	-21.4	-21.1
New Jersey.....	2,459	7,200	72,632	29.54	+1.7	+1.6	+4.1	+20.7	+24.5	+38.4
New Mexico.....	27,030	54,013	1,367,899	50.61	+3	+3	+1.4	-14.8	-13.6	-7.2
New York.....	9,561	22,420	163,721	17.12	-1.0	-8	-8	-2.9	-4.2	-8
North Carolina.....	2,362	6,562	76,857	32.54	-1.8	-2.4	-1.2	-3.8	-3.1	+6
North Dakota.....	11,149	29,484	436,989	39.20	-1.0	-9	+4	-5.5	-6.4	-6.7
Ohio.....	19,042	44,196	425,822	22.36	-1.1	-1.1	-7	-4.7	-3.7	+20.8
Oklahoma.....	1,845	4,367	87,829	47.60	-2.6	-3.2	-2.0	-10.5	-10.0	+1.5
Oregon.....	44,196	110,666	1,959,243	44.33	-2.3	-2.4	-3.1	-25.1	-25.1	-10.7
Pennsylvania.....	1,257	3,409	66,967	53.28	+2	-6	+1.7	-2.4	-6.5	+13.9
Rhode Island.....	3,937	11,479	62,724	15.93	-1.5	-9	+1	+1.5	+1.3	-5.9
South Carolina.....	1,861	4,380	53,834	28.93	+1	( <sup>2</sup> )	+1	+11.0	+12.5	+16.0
South Dakota.....	13,841	34,782	268,385	19.39	-5	-4	-3	-2.4	-1.8	+1.6
Tennessee.....	20,349	41,967	216,037	10.62	+6.6	+6.4	-44.8	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Texas.....	2,983	7,864	135,201	45.32	-6.3	-5.7	-5.8	-26.2	-25.7	-21.0
Utah.....	697	1,848	22,833	32.76	-1.0	-1.2	-6	+1.2	-1	+2.8
Vermont.....	4,849	13,925	100,365	20.70	+1	-1	+9	+4.6	+2.2	+7.7
Virginia.....	4,369	10,680	204,531	46.81	-3.1	-2.7	-1.5	-17.6	-16.2	-1.5
Washington.....	12,656	33,794	394,888	31.20	-3.0	-2.6	-2.6	+26.2	+26.7	+40.2
West Virginia.....	10,390	24,178	417,215	40.16	-2.1	-2.2	-1.1	-14.4	-12.7	-7.8
Wisconsin.....	674	1,779	22,993	34.11	-4.0	-3.4	-3.5	-12.2	-9.9	-8.9
Wyoming.....										

<sup>1</sup> For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered under State laws from State and/or local funds without Federal participation.

<sup>2</sup> Total for States with plans approved by the Social Security Board.

<sup>3</sup> Percentage change not computed since data for September 1941 were estimated.

<sup>4</sup> No approved plan for September 1941. Percentage change based on program administered under State law without Federal participation.

<sup>5</sup> Includes program administered under State law without Federal participation.

<sup>6</sup> Increase of less than 0.05 percent.

<sup>7</sup> Estimated.

<sup>8</sup> Decrease of less than 0.05 percent.

<sup>9</sup> In addition, in 62 counties payments amounting to \$10,372 were made from local funds without State or Federal participation to 590 families in behalf of 1,465 children under the State mothers'-pension law; some of these families also received aid under plan approved by the Social Security Board.

<sup>10</sup> No change.

<sup>11</sup> No approved plan for September 1941. Percentage change not computed since program administered under State law without Federal participation was not State-wide.



Table 8.—Public assistance and Federal work programs, by State, August 1942 <sup>1</sup>

State	Number of recipients and persons employed						Amount of assistance and earnings (in thousands)					
	Old-age assistance	Aid to dependent children <sup>2</sup>		Aid to the blind <sup>3</sup>	General assistance (cases)	Work Projects Administration	Total	Old-age assistance	Aid to dependent children <sup>2</sup>	Aid to the blind <sup>3</sup>	General assistance	Work Projects Administration
		Families	Children									
Total.....	2,251,040	387,176	930,228	78,966	551,000	428,384	\$109,810	\$50,109	\$13,364	\$2,070	\$13,328	\$30,939
Alabama.....	21,903	5,595	15,983	651	2,403	9,365	951	215	93	7	23	613
Alaska.....	1,563	47	134	—	( <sup>4</sup> )	—	49	46	—	—	( <sup>4</sup> )	—
Arizona.....	9,548	2,188	5,894	426	2,622	1,407	550	331	74	14	52	87
Arkansas.....	25,151	6,153	16,097	1,180	3,891	9,174	851	216	89	12	25	509
California.....	156,602	12,423	29,786	7,111	22,740	11,947	8,064	5,710	678	333	540	803
Colorado.....	42,516	5,588	13,799	638	7,301	2,571	2,082	1,576	173	22	134	178
Connecticut.....	17,460	1,920	4,046	210	4,720	1,526	929	516	113	7	129	164
Delaware.....	2,265	431	1,300	—	484	501	96	29	15	—	10	42
District of Columbia.....	3,515	1,062	3,250	297	1,472	1,299	324	93	40	10	37	143
Florida.....	43,549	5,501	12,628	2,733	6,698	11,436	1,640	622	134	42	48	794
Georgia.....	67,845	4,693	11,439	2,099	4,739	11,532	1,464	605	106	25	37	691
Hawaii.....	1,655	777	2,422	76	757	4	75	25	32	1	16	( <sup>7</sup> )
Idaho.....	9,825	2,794	7,212	274	1,069	1,547	463	242	94	7	16	104
Illinois.....	150,710	22,610	51,381	7,260	68,287	30,821	9,302	4,063	738	226	1,708	2,477
Indiana.....	70,291	14,293	29,988	2,367	13,735	9,867	2,852	1,409	445	56	199	742
Iowa.....	56,299	3,119	6,848	1,538	11,969	4,800	1,836	1,217	60	42	183	333
Kansas.....	31,039	6,496	15,811	1,331	7,398	4,727	1,436	702	226	32	132	344
Kentucky.....	55,379	4,450	11,810	—	3,400	11,655	1,395	561	16	—	36	782
Louisiana.....	35,858	14,611	37,312	1,357	11,778	8,750	1,455	480	391	23	20	541
Maine.....	16,014	1,784	4,990	1,060	3,713	856	602	342	75	24	84	76
Maryland.....	16,097	4,995	13,820	601	5,841	2,082	787	311	163	14	128	171
Massachusetts.....	86,192	11,588	28,382	1,106	25,836	18,161	5,741	2,876	645	28	634	1,558
Michigan.....	91,439	19,987	45,264	1,390	23,361	16,338	4,575	1,831	866	37	530	1,310
Minnesota.....	62,928	8,581	20,797	1,039	13,545	9,699	2,735	1,411	299	29	269	727
Mississippi.....	26,782	2,570	6,580	1,365	633	9,052	820	242	52	15	3	506
Missouri.....	114,482	13,976	32,105	3,110	12,869	16,565	3,410	1,550	425	108	189	1,162
Montana.....	12,439	2,479	6,153	326	1,776	2,610	561	284	77	8	29	162
Nebraska.....	29,285	5,163	11,598	723	3,704	4,072	1,095	547	146	16	45	341
Nevada.....	2,192	101	214	26	481	321	95	68	—	—	6	19
New Hampshire.....	7,275	843	2,116	332	2,637	1,274	376	166	41	8	62	99
New Jersey.....	29,617	7,750	17,683	700	15,368	13,176	2,385	676	247	18	351	1,093
New Mexico.....	5,169	2,419	7,088	238	1,146	3,384	396	85	70	5	11	225
New York.....	117,910	26,951	53,825	2,776	134,481	47,538	13,487	3,244	1,349	79	5,120	3,695
North Carolina.....	39,279	9,659	22,597	2,241	3,590	8,571	1,158	406	165	34	26	527
North Dakota.....	9,491	2,405	6,725	132	1,427	1,311	381	178	78	4	22	100
Ohio.....	139,240	11,262	29,751	3,902	28,968	21,873	6,073	3,375	435	83	545	1,635
Oklahoma.....	77,970	19,252	44,690	2,193	7,544	12,864	2,910	1,601	429	51	38	791
Oregon.....	21,550	1,895	4,513	456	3,671	978	765	512	90	13	82	68
Pennsylvania.....	96,956	45,251	113,348	15,949	46,715	32,814	8,187	2,362	2,022	418	917	2,468
Rhode Island.....	7,471	1,255	3,428	95	3,387	1,547	503	179	66	2	117	139
South Carolina.....	21,329	3,996	11,583	828	2,349	8,672	926	222	63	9	21	612
South Dakota.....	14,691	1,860	4,380	257	1,816	1,457	456	283	54	4	26	89
Tennessee.....	40,489	13,915	34,936	1,664	2,000	9,272	1,365	501	269	21	15	559
Texas.....	176,911	19,088	39,448	3,440	6,287	25,543	5,657	3,553	391	79	61	1,573
Utah.....	14,513	3,183	8,339	165	2,558	1,590	739	392	144	5	71	128
Vermont.....	5,500	704	1,870	160	1,144	623	203	98	23	4	23	56
Virginia.....	19,602	4,846	13,934	1,078	4,168	4,802	656	203	99	14	44	295
Washington.....	64,363	4,511	10,981	966	5,201	2,039	2,729	2,164	208	35	129	195
West Virginia.....	23,806	13,045	34,696	1,040	11,624	9,939	1,713	421	405	24	130	733
Wisconsin.....	53,575	10,609	24,713	1,899	13,551	6,053	2,481	1,276	422	46	286	451
Wyoming.....	3,510	702	1,841	132	643	409	154	87	24	4	12	28

<sup>1</sup> See footnotes to table 1. No persons were employed under the NYA student work program during August.

<sup>2</sup> Figures in italics represent programs administered under State laws from State and/or local funds without Federal participation.

<sup>3</sup> Partly estimated; does not represent sum of State figures, because an estimated number of cases receiving medical care, hospitalization, and/or burial only and total payments for these services in 3 States have been excluded, and cases aided in Oklahoma have been estimated to exclude duplication.

<sup>4</sup> Data not available.

<sup>5</sup> State program only; excludes program administered by local officials.

<sup>6</sup> Includes unknown number of cases receiving medical care, hospitalization, and/or burial only, and total payments for these services.

<sup>7</sup> Less than \$500.

<sup>8</sup> Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents approximately 70 percent of total expenditures.

<sup>9</sup> Partly estimated.

<sup>10</sup> Estimated.

<sup>11</sup> Represents employable cases receiving assistance in New Orleans and a small number of cases in scattered parishes, and assistance to these cases; State-wide program discontinued as of June 30, 1942.

<sup>12</sup> Includes cases receiving medical care only; number believed by State agency to be insignificant.

<sup>13</sup> Represents 3,255 cases aided under program administered by State board of public welfare, and 4,289 cases aided by county commissioners; amount of duplication believed to be large.

Table 9.—Public assistance and Federal work programs, by State, September 1942<sup>1</sup>

State	Number of recipients and persons employed					Amount of assistance and earnings (in thousands)					
	Special types of public assistance <sup>1</sup>			General assistance (cases)	National Youth Administration student work program	Work Projects Administration	Total	Special types of public assistance <sup>1</sup>	General assistance	National Youth Administration student work program	Work Projects Administration
	Old-age assistance	Aid to dependent children (families)	Aid to the blind								
Total.....	2,248,275	383,250	79,133	529,000	1,324	382,279	\$105,025	\$65,557	\$13,025	\$10	\$26,433
Alabama.....	21,815	5,523	651	2,404	—	8,598	770	312	23	—	435
Alaska.....	1,552	45	—	236	—	—	59	48	10	—	—
Arizona.....	9,597	2,109	419	2,616	—	1,232	602	420	52	—	130
Arkansas.....	25,048	6,108	1,171	3,775	—	8,378	785	330	24	—	431
California.....	155,937	11,866	7,091	21,019	—	10,720	8,329	6,674	504	—	1,151
Colorado.....	42,512	5,471	637	6,935	—	2,035	2,062	1,765	128	—	169
Connecticut.....	17,363	2,002	204	4,509	—	1,439	864	640	124	—	100
Delaware.....	2,233	414	—	479	—	440	86	44	10	—	33
District of Columbia.....	3,486	1,053	296	1,388	—	1,243	285	145	36	—	103
Florida.....	43,591	5,437	2,731	6,675	—	10,206	1,386	799	47	—	540
Georgia.....	68,311	4,669	2,120	4,524	—	10,855	1,356	744	36	—	576
Hawaii.....	1,644	752	74	753	—	4	75	59	16	( <sup>9</sup> )	—
Idaho.....	9,799	2,709	275	1,045	—	1,392	480	341	16	—	122
Illinois.....	150,862	23,172	7,458	60,604	30	27,491	8,813	5,081	1,796	( <sup>9</sup> )	1,935
Indiana.....	70,192	14,035	2,369	13,560	264	8,993	2,790	1,924	212	2	653
Iowa.....	56,184	5,061	1,542	11,391	—	4,551	1,784	1,387	180	—	281
Kansas.....	30,887	6,348	1,320	7,100	—	4,228	1,382	968	131	—	283
Kentucky.....	54,762	4,439	—	3,100	—	10,541	1,234	869	33	—	631
Louisiana.....	35,485	14,042	1,363	10,740	8	7,644	1,369	881	19	( <sup>9</sup> )	469
Maine.....	16,208	1,782	1,050	3,639	—	687	593	448	92	—	53
Maryland.....	15,849	4,814	588	5,941	—	1,839	760	485	137	—	137
Massachusetts.....	86,163	11,514	1,099	25,105	42	17,974	5,646	3,574	629	( <sup>9</sup> )	1,442
Michigan.....	91,180	19,428	1,384	22,139	—	14,872	4,283	2,715	511	—	1,057
Minnesota.....	62,840	8,487	1,035	12,943	—	8,762	2,643	1,745	268	—	629
Mississippi.....	26,781	2,565	1,364	518	—	8,592	758	308	3	—	447
Missouri.....	114,261	13,893	5,100	12,542	—	14,105	3,264	2,065	196	—	1,003
Montana.....	12,411	2,420	314	1,735	—	2,374	632	369	30	—	234
Nebraska.....	29,102	4,982	723	3,605	—	3,604	1,079	778	46	—	255
Nevada.....	2,178	101	89	353	—	291	101	71	6	—	24
New Hampshire.....	7,262	852	329	2,585	—	1,237	349	216	60	—	72
New Jersey.....	29,429	7,650	708	14,712	—	12,082	2,254	941	348	—	964
New Mexico.....	5,175	2,459	240	1,163	68	3,116	382	164	15	( <sup>9</sup> )	202
New York.....	117,941	27,030	2,835	129,809	160	40,280	12,842	4,756	4,946	1	3,138
North Carolina.....	39,287	9,561	2,248	3,423	—	8,416	1,143	604	26	—	513
North Dakota.....	9,451	2,362	134	1,343	—	925	335	259	21	—	55
Ohio.....	139,244	11,149	3,886	27,578	—	18,928	5,744	3,910	530	—	1,303
Oklahoma.....	78,060	19,042	2,174	6,956	—	11,070	2,745	2,083	35	—	627
Oregon.....	21,411	1,845	453	3,392	—	685	819	615	79	—	124
Pennsylvania.....	96,513	44,196	15,804	44,834	—	29,443	7,918	4,758	900	—	2,280
Rhode Island.....	7,448	1,257	95	2,928	4	1,323	426	260	105	( <sup>9</sup> )	71
South Carolina.....	21,393	3,937	827	2,313	—	7,953	738	262	20	—	426
South Dakota.....	14,674	1,861	255	1,574	—	1,263	435	341	22	—	72
Tennessee.....	40,642	13,841	1,664	2,000	224	8,465	1,282	792	14	2	474
Texas.....	178,175	20,349	3,593	5,887	155	22,225	5,264	3,918	65	1	1,280
Utah.....	14,444	2,983	162	2,415	—	1,247	701	530	67	—	104
Vermont.....	5,470	697	157	1,061	—	538	180	124	22	—	35
Virginia.....	19,529	4,849	1,070	4,102	350	3,942	609	317	43	3	246
Washington.....	63,991	4,369	948	4,898	—	1,634	2,675	2,391	121	—	163
West Virginia.....	23,541	12,656	1,034	10,623	—	9,052	1,523	836	120	—	568
Wisconsin.....	53,451	10,390	1,886	12,729	19	4,972	2,377	1,741	271	( <sup>9</sup> )	365
Wyoming.....	3,511	674	133	660	—	393	150	114	12	—	24

<sup>1</sup> See footnotes to table 1.<sup>2</sup> Figures in italics represent programs administered under State laws from State and/or local funds without Federal participation. See tables 5, 6, and 7 for additional data by program.<sup>3</sup> Partly estimated; does not represent sum of State figures, because an estimated number of cases receiving medical care, hospitalization, and/or burial only and total payments for these services in 3 States have been excluded, and cases aided in Oklahoma have been estimated to exclude duplication.<sup>4</sup> State program only; excludes program administered by local officials.<sup>5</sup> Includes unknown number of cases receiving medical care, hospitalization, and/or burial only, and total payments for these services.<sup>6</sup> Less than \$500.<sup>7</sup> Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents approximately 70 percent of total expenditures.<sup>8</sup> Estimated.<sup>9</sup> Partly estimated.<sup>10</sup> Represents employable cases receiving assistance in New Orleans and a small number of cases in scattered parishes, and assistance to these cases; State-wide program discontinued as of June 30, 1942.<sup>11</sup> Includes cases receiving medical care only; number believed by State agency to be insignificant.<sup>12</sup> Represents 3,185 cases aided under program administered by State board of public welfare, and 3,771 cases aided by county commissioners; amount of duplication believed to be large.

# EMPLOYMENT SECURITY

BUREAU OF EMPLOYMENT SECURITY • REPORTS AND ANALYSIS DIVISION

## Operations of the Employment Security Program

### *Labor-Market Developments*

Although labor stringencies were hampering war production in some areas and industries in September and the national supply of some important skills fell short of demand, there was no general over-all shortage of manpower. The Nation's labor problem continued to be one of maldistribution of supply and under-utilization of the employed labor force, but the local problems varied with local conditions. Surveys of labor-market conditions, made in 329 industrial areas by the Bureau of Employment Security, indicated that there were current or predictable future shortages of male workers in 195 areas, need for the increased utilization of women in 142, need for the transfer of workers to war production from less essential industries in 116, insufficient housing in 70, inadequate transportation facilities in 64, need for full utilization of minority groups in 48, and high labor turn-over due to wage differentials in 25. Some areas were faced with all these problems.

Various agencies of the Federal Government have recently taken steps to correct some of these conditions. The War Manpower Commission order of September 7 to stabilize employment in nonferrous-metal and basic-lumbering activities in 12 western States was followed by three other measures designed to augment the work force of these strategic industries. Under the terms of the employment-stabilization order, all workers in the nonferrous-metal and lumber industries in the 12 designated States are required to obtain certificates of separation from the U. S. Employment Service before applying for new jobs. Certificates may be granted only when the worker would otherwise suffer undue hardship. The order has already reduced the rate of separations from these industries.

On October 8, the War Production Board ordered the closing of all gold mines without a serial number under WPB Preference Rating Order P-56, and the WMC concurrently issued a directive (No. XIII) forbidding all employers in any industry located in a State west of the Mississippi

River or in Alaska to hire any gold-mine worker not referred by the USES. Nearly 500 displaced gold miners have already been referred to the critical nonferrous-metal mines for employment, and about half of them have been placed. On October 17, the War Labor Board granted a conditional pay increase, subsequently approved by the Director of Economic Stabilization, to 10,000 copper, lead, and zinc miners in Idaho and Utah. An increase of \$1 a day was authorized to workers whose continuity of work and rate of production come up to certain standards; others received an increase of 50 cents a day. In addition, the Army began on October 15 to release approximately 5,700 soldiers with hard-rock-mining experience, chiefly coal miners, for employment in the nonferrous-metal mines. About 4,300 have already gone to work in the mines of the western States. Transfer of the gold miners and soldiers is being arranged and paid for by the USES with funds allocated for the purpose by the WMC.

On October 11, the Chairman of the WPB directed all Government procurement agencies to avoid placing contracts in labor-shortage areas so far as possible, even though they might have to pay higher prices. In line with this directive, the WMC certified to the procurement agencies 65 shortage areas in which awarding of additional contracts is inadvisable, 64 in which contracts scheduled for completion before February 1, 1943, could be awarded, and 96 areas of labor surplus in which the letting of all types of contracts should be encouraged.

Although the guiding policy of the Office of Economic Stabilization, created by Executive Order on October 3, is to be the stabilization of the cost of living at about the level prevailing on September 15, 1942, the Director of Economic Stabilization is also directed to formulate a policy which will result in "minimizing the unnecessary migration of labor from one business, industry, or region to another." The Executive Order also temporarily froze wage levels as of October 3, since all wage increases and decreases must be approved by the War Labor Board before they can be put



into effect. The WLB is directed not to approve any increase or decrease in the wage level prevailing on September 15 unless a change is necessary to correct maladjustments or inequalities, to eliminate substandards of living, to correct gross inequities, or to aid in the prosecution of the war.

Although no wage policy has as yet been announced by the WLB, adjustments to provide wage equalization by area or industry will be possible under the terms of the Order. A step in this direction was taken with the decision of the WLB in the Detroit tool and die case. To stop the pirating of workers between the captive and job shops in this area, the Board placed a ceiling of \$1.75 per hour on wage rates in the job shops, refused a general increase in these shops, and granted an increase of 10 cents an hour to workers in the captive shops, thereby reducing the wage differentials to the customary peacetime level.

On November 7, to alleviate a stringency of essential farm workers in dairy, livestock, and poultry production, the WMC froze all necessary workers on such farms in their present jobs. Local selective service boards are to grant occupational deferments to all necessary men on such farms for whom replacements are not available, but deferments shall be subject to immediate revocation if the worker leaves his occupation; the Army and Navy are to refrain from recruiting such workers; and the Department of Agriculture will take action to stabilize wages of such workers.

Several actions of the WPB, although designed primarily to conserve critical materials, will also have the effect of releasing workers for essential industries. In October, the Board ordered all production of telephone sets, except some of special combat design, to be stopped in 30 days; it also cut the production of farm machinery to a fifth of 1940 output, specifying that its manufacture is to be concentrated among the smaller producers. A halt to virtually all construction work not directly essential to the war effort was ordered, and priority assistance to a large part of nonmilitary construction was revoked. Although the effects of this order in releasing manpower are not yet known, all projects are being carefully reviewed, and at least seven less essential projects in the western area, which have been offering labor competition to metal mines and lumber camps, have already been stopped.

The volume of employment continued to rise

in September. Civil nonagricultural employment totaled 38.3 million, a new all-time high; it rose half a million above the August figure and 2.5 million above September of last year.<sup>1</sup> Approximately half the increase over the previous month (255,000) occurred in manufacturing industries. Despite governmental restrictions affecting the sale of civilian goods, trade employment rose 66,000, a seasonal increase in retail trade more than offsetting a contraseasonal decline in wholesale-trade employment. Employment in construction dropped 62,000, primarily as the result of recessions in private building activity. Employment in metal mines declined 3 percent from August to September, as the exodus from this important industry to higher-paying, more attractive shipbuilding and construction jobs continued. By the end of October, the WMC employment-stabilization order and the other governmental actions noted above had begun to reverse this trend.

Unemployment dropped half a million in September, to 1.7 million—a new low for the entire period since 1929.<sup>2</sup> The number of man-weeks of unemployment for which compensation claims were filed during September totaled only 2.0 million, the smallest number on record, and only \$22.4 million was disbursed in benefits. All these figures were about one-fifth below August levels. The estimated number of different individuals receiving at least one benefit payment during September was only slightly more than a half million, approximately one-fourth fewer than the previous month's total and by far the smallest number for any month this year.

Although farm wage rates are considerably higher this year than last, they still do not offer effective competition to wages in war industries, and farm employment was 67,000 below last September's level.<sup>3</sup> The reopening of schools during the month and inroads by urban employment and the armed services have contributed to the problem of obtaining sufficient farm workers. Careful planning of farm work, efficient and extensive use of available machinery, more exchange of labor than usual, and the employment of women and older men have eased the situation during the harvest season and made it possible to accomplish other work which might otherwise

<sup>1</sup> Estimates of the U. S. Bureau of Labor Statistics.

<sup>2</sup> Estimates of the U. S. Bureau of the Census.

<sup>3</sup> U. S. Bureau of Agricultural Economics.

**Table 1.—Summary of employment security operations,  
September 1942**

Item	Number or amount	Percentage change from—	
		August 1942	September 1941
<b>Insurance activities:</b>			
Initial claims (local office).....	291,728	-23.4	-41.3
Continued claims.....	1,991,071	-21.3	-24.3
Waiting-period.....	203,306	-33.0	-54.7
Compensable.....	1,787,765	-19.8	-18.0
Weeks compensated.....	1,799,870	-20.8	-14.7
Total unemployment.....	1,659,887	-20.9	-13.3
Part-total unemployment <sup>1</sup> .....	41,981	-19.1	.....
Partial unemployment <sup>1</sup> .....	95,862	-19.2	-23.7
Gross benefits paid.....	\$22,395,153	-20.7	-2.4
Net benefits paid since benefits first payable.....	\$1,992,908,619	.....	.....
Number of benefit recipients:			
Estimated individuals during month.....	543,600	-26.5	.....
Weekly average for month.....	422,709	-22.1	-14.3
<b>Placement activities:</b>			
Placements <sup>2</sup> .....	1,396,649	+42.4	+26.2
Agricultural <sup>3</sup> .....	747,960	+118.8	+29.9
Nonagricultural <sup>3</sup> .....	648,689	+1.5	+22.2
Applications (new and renewed) <sup>4</sup> .....	1,200,815	-13.6	-13.4
Active file, Sept. 12, 1942 <sup>4</sup> .....	2,400,417	.....	.....

<sup>1</sup> Excludes Rhode Island, because data not reported, and Montana, New York, and Pennsylvania, which have no provisions for partial and part-total unemployment.

<sup>2</sup> Based on data for 42 States reporting this type of payment during both periods.

<sup>3</sup> Excludes Alaska; data not reported.

<sup>4</sup> Excludes Alaska and Rhode Island; data not reported.

<sup>5</sup> Data not comparable with previous months, because States are instituting procedure requiring maximum 60-day validity period for all registrants. Excludes Alaska and Hawaii; data not reported.

have been left undone. Few important crop losses due to labor shortages have as yet occurred.

Women are continuing to augment the work force and to take the places of men who have gone into the armed forces. As compared with September of last year, 1.1 million more women and 1.8 million fewer men were in the labor force. Of particular interest is the hiring of women for such traditionally male occupations as sheet-metal work, riveting, and machine-shop work in large factories, and as gas-station attendants, taxicab and truck drivers, and butchers. A building contractor in Vancouver is experimentally using a number of women as construction laborers. Flaunting tradition, two Arizona copper mines have hired about 75 women; the experiment has been so successful that more will be hired soon. In spite of these innovations, women constituted only 30 percent of total nonagricultural employment in September and only 18 percent of employment in essential war industries and services.

Employer specifications continue to exclude from war employment large numbers of persons who are members of minority groups—particularly Negroes, who constituted only 5.6 percent of all workers in war industries in September. The USES was forced to refuse an order for clearance of 1,000 coal miners from southern Illinois to some

of the western States which are facing a labor shortage, because white male labor had been specified. Similarly, in Mobile, Ala., where there is a reported labor shortage, one shipyard employs only 21 Negroes in a total work force of many thousands. Only 16,600 Negroes were enrolled in pre-employment training courses throughout the country in August, and only 3,900 Negroes were receiving supplementary training.

Absenteeism, the short workweek, high turnover, and sporadic stoppages are preventing the fullest possible use of the employed work force in some industries. Labor-management committees are carrying on active campaigns to combat production loss from absenteeism. In a recent month, 63,700 man-days of work were lost for this reason in 53 anthracite mines, according to reports of the Pennsylvania Department of Mines, in spite of the fact that a very short workweek (35 hours) prevails in the industry. Approximately three-fifths of this loss was avoidable. The workweek in durable-goods manufacturing industries, where war production is largely concentrated, averaged only 45.2 hours in August, and 4 industries averaged less than 40 hours, although Government agencies <sup>4</sup> have agreed that, for wartime production, the 8-hour day and 48-hour week approximate the best working schedule for sustained efficiency in most industrial operations. Only 1.5 million war workers were working more than 48 hours a week in August, the Department of Labor estimates.

The quit rate in 11 strategic war industries rose in August for the third successive month, averaging 4.2 percent as compared with 3.5 percent in July and 2.2 percent in August of last year.<sup>5</sup> All important war industries except aluminum and engine plants recorded relatively sharp increases over July. The aircraft and explosives industries showed the sharpest gains, but the shipbuilding industry has the highest quit rate of any major manufacturing industry engaged in war production. Lack of adequate housing, transportation difficulties, unfavorable wage differentials, and poor working conditions have been causing workers to seek other jobs which seem to offer better conditions. Although the number of strikes in September was only three-fifths as

<sup>4</sup> The Labor, War, Navy, and Commerce Departments, Maritime Commission, Public Health Service, War Manpower Commission, and War Production Board.

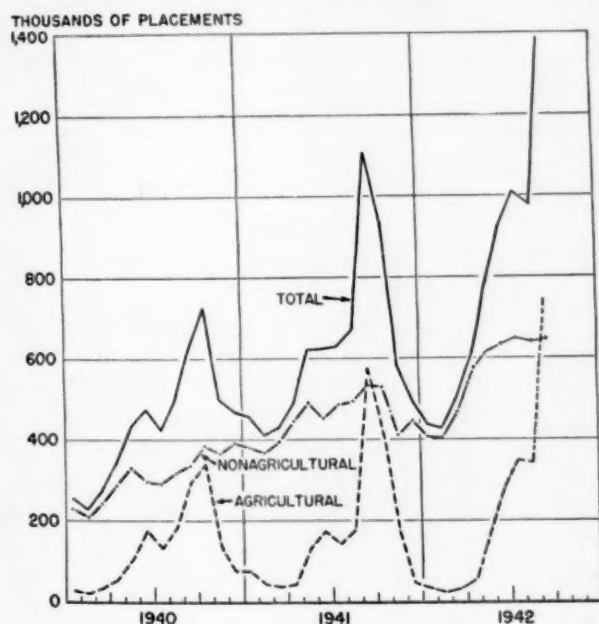
<sup>5</sup> Estimates of the U. S. Bureau of Labor Statistics.

great and the number of workers involved only about one-fourth as great as in September of last year, 450,000 man-days were lost during the month because of work stoppages. About 290 strikes involving 80,000 workers were initiated in September.

As a result of the difficulty in recruiting trainees for unpaid pre-employment training, August enrollments in these classes were 20,000 fewer than in July, while enrollments in supplementary classes—where workers are paid while being trained—rose nearly 17,000 above the July total. The number of women entering pre-employment courses has been increasing each month and was more than a fourth of total August enrollments. The number of women taking supplementary training has lagged far behind pre-employment enrollments, but it is now increasing as more women get jobs in war production. About 15,500 women were enrolled in these courses at the end of August, 57 percent more than in July.

Housing shortages are most serious in nearly all the shipbuilding areas on the Atlantic, Gulf, and Pacific Coasts and in numerous small towns where large bag-loading and shell-loading plants are located. All industries are affected to some degree by the general congestion in large industrial areas, such as Detroit, Chicago, northwestern Ohio, and Connecticut. Inadequacies of trans-

Chart 1.—Placements of men and women by public employment offices, January 1940–September 1942



portation facilities are most serious in small-town and rural areas, but are also beginning to develop in large cities. Of the 50 local areas reporting transportation difficulties in September, only 10 (including Detroit and Buffalo) were large industrial cities. However, 15 others (including Chicago and Kansas City) expect shortages in the future. As with housing, shipbuilding is the industry most seriously affected. Both housing and transportation problems are usually found in the same areas. Of 50 current transportation-shortage areas, 36 have and 2 expect to have housing problems; of 67 current housing-shortage areas, 39 also have transportation difficulties and 7 expect them.

### Placement Activities

As the result of a sharp seasonal spurt in agricultural placements coupled with a continuation of the high level of nonagricultural placements, the USES filled more jobs in September than in any other month since December 1933.<sup>6</sup> The 1.4 million placements in September represented an increase of 42 percent from August—when there was a slight interruption of the pronounced rise begun last March—and an increase of 26 percent over September 1941 (table 2).

In the first 9 months of 1942, the USES filled 7.1 million jobs, 30 percent more than in the same period of 1941 and almost double the total for the first 9 months of 1940. This sharp increase has been effected during a period of labor stringency and industrial dislocation through expansion of USES activities. Shortages of farm labor in many sections of the country have caused local offices to concentrate on finding and placing farm help, with the result that agricultural placements numbered more than 2 million in the first 9 months of 1942, or 46 percent more than in the same months of 1941. For the same months, non-agricultural placements rose 25 percent, to a total of 5.0 million.

**Farm placements.**—The 748,000 farm jobs filled during September exceeded by almost one-third the previous all-time peak established in September 1941 and were more than double the number filled in August. Cotton picking alone accounted for more than three-fifths of all agricultural jobs filled during the month and was the major factor in the sharp increase over August (table 3).

<sup>6</sup> At that time, placements on public work projects served to inflate the total.



As in past months, agricultural placements were largely concentrated in a few States; Arkansas, California, Mississippi, Tennessee, and

Texas accounted for about 71 percent of all farm jobs filled. Placements of workers on vegetable and fruit farms were of primary importance

**Table 2.—Summary of nonagricultural and agricultural placements, by State, September and January–September 1942**

[Corrected to Oct. 27, 1942]

Social Security Board region and State	Total				Nonagricultural				Agricultural							
	September 1942		Jan.-Sept. 1942		September 1942		Jan.-Sept. 1942		September 1942		Jan.-Sept. 1942					
	Num- ber	Percent- age change from—		Num- ber	Percent- age change from Jan.- Sept. 1941	Num- ber	Percent- age change from—		Num- ber	Percent- age change from Jan.- Sept. 1941	Num- ber	Percent- age change from—		Num- ber	Percent- age change from Jan.- Sept. 1941	Percent of all placements
		Aug. 1942	Sept. 1941				Aug. 1942	Sept. 1941				Aug. 1942	Sept. 1941			
Total 1	1,396,649	+42.4	+26.2	7,075,622	+30.1	648,689	+1.5	+22.2	5,032,690	+24.5	747,960	+118.8	+29.9	2,042,932	+46.1	28.9
Region I:																
Connecticut	11,126	+15.7	+19.6	89,311	+14.3	8,842	+3.9	+4.8	81,821	+10.2	2,284	+106.1	+165.3	7,490	+92.8	8.4
Maine	8,305	+6.3	+57.4	49,335	+42.5	4,228	+1.9	+9.4	40,796	+24.7	4,077	+16.4	+569.5	8,539	+348.5	17.3
Massachusetts	17,664	+29.8	+71.0	106,000	+32.6	15,000	+18.0	+49.2	101,332	+29.4	2,664	+197.3	+879.4	4,698	+193.2	4.4
New Hampshire	2,462	+41.4	+17.4	18,153	+13.6	1,496	+2.6	+40.8	16,479	+18.4	966	+371.2	+114.2	1,674	+109.2	9.2
Rhode Island	5,217	+16.2	+139.6	29,251	+55.5	5,214	+16.4	+142.2	29,072	+56.0	3	(?)	(?)	179	+7.2	.6
Vermont	2,438	+325.5	+14.5	8,872	+20.2	533	+5.7	+54.5	6,006	+38.6	1,900	(?)	+100.6	2,866	+114.5	32.3
Region II:																
New York	89,769	+17.8	+33.2	592,613	+37.8	74,289	+16.4	+24.4	549,000	+32.9	15,480	+24.6	+101.5	43,613	+156.9	7.4
Region III:																
Delaware	1,782	+14.3	+13.8	14,402	+6	1,319	+23.6	+34.4	13,202	+5.3	463	+31.2	+712.3	1,200	+216.6	8.3
New Jersey	18,248	+15.7	+1.9	157,264	+12.1	13,714	+5.4	+21.8	135,756	+9	4,534	+36.7	(?)	21,508	+548.8	13.7
Pennsylvania	33,791	+8.2	+30.6	249,534	+35.7	29,324	+3.6	+17.6	238,077	+31.8	4,467	+53.7	+378.8	11,457	+255.1	4.6
Region IV:																
Dist. of Columbia	4,213	-7	+25.9	50,237	+6.1	4,207	-5	+25.7	50,106	+6.1	6	(?)	(?)	131	+1.5	.3
Maryland	14,674	+13.1	+102.7	98,002	+61.3	8,944	+13.6	+53.4	70,678	+37.6	5,690	+12.4	+311.7	27,324	+190.3	27.9
North Carolina	24,285	+18.2	+6.9	203,548	+4	14,264	+31.6	+12.2	154,422	+8.9	10,021	+13.3	+54.8	49,126	+41.2	24.1
Virginia	10,485	+9.3	+5	78,812	+23.5	9,658	+17.5	+2.8	74,708	+24.5	827	+40.1	+65.7	4,104	+3	5.2
West Virginia	4,404	+12.9	+15.0	34,071	+9.4	3,955	+7.7	+12.2	32,859	+10.0	449	+97.8	+33.3	1,212	+11.7	3.6
Region V:																
Kentucky	8,743	+12.9	+95.3	86,840	+136.7	8,145	+12.3	+87.7	71,460	+103.9	598	+19.9	+339.7	15,380	+841.8	17.7
Michigan	25,676	+10.6	+61.0	174,875	+33.4	18,952	+13.3	+27.5	146,193	+18.1	6,724	+3.4	+523.7	28,682	+291.3	16.4
Ohio	48,583	+13.7	+58.9	316,182	+43.3	44,267	+14.7	+53.6	297,808	+39.0	4,316	+3.9	+144.5	18,374	+186.9	5.8
Region VI:																
Illinois	21,478	+22.0	+8.6	224,041	+11.3	18,965	+8.6	+14.1	195,107	+2.6	2,513	+63.0	+79.0	28,934	+158.7	12.9
Indiana	21,370	+53.4	+38.1	131,497	+2.7	20,114	+55.3	+34.9	125,350	+5	1,256	+28.0	+119.6	6,147	+205.4	4.7
Wisconsin	16,475	+1.4	+32.5	119,798	+30.2	14,553	+3.0	+22.8	109,620	+25.7	1,922	+8.8	+233.1	10,178	+110.1	8.5
Region VII:																
Alabama	5,885	+40.5	+14.6	63,072	+20.2	3,961	+1.8	+38.3	53,979	+22.7	1,924	+550.0	+301.7	9,093	+7.4	14.4
Florida	9,486	+12.2	+59.1	81,101	+46.0	8,632	+19.3	+45.1	75,003	+39.1	854	+721.2	(?)	6,098	+273.0	7.5
Georgia	10,087	+12.4	+22.0	73,728	+19.4	7,390	+3.8	+40.9	67,888	+19.6	2,697	+108.6	+508.8	5,840	+17.0	7.9
Mississippi	148,843	+844.1	(?)	225,260	+314.2	11,027	+11.9	+27.3	76,613	+51.9	137,816	(?)	(?)	148,647	(?)	66.0
South Carolina	6,158	+13.2	+20.8	54,722	+22.3	5,213	+2	+31.6	51,754	+23.8	945	+297.1	+490.6	2,968	+19.0	5.4
Tennessee	111,596	(?)	+39.2	206,828	+32.3	8,405	+10.7	+20.2	65,504	+12.4	103,191	+40.3	+40.3	141,324	+38.7	68.3
Region VIII:																
Iowa	9,719	+25.8	+8.2	78,688	+1.9	7,859	+5.0	+21.0	61,010	+10.8	1,860	+61.4	+193.4	17,678	+100.5	22.5
Minnesota	17,333	+15.1	+69.9	101,921	+39.1	11,067	+16.5	+32.1	70,928	+24.9	6,286	+42.6	+242.7	30,993	+87.9	30.4
Nebraska	7,927	+45.2	+62.2	78,260	+140.3	7,400	+4.1	+62.2	53,843	+87.7	527	+92.2	+61.2	24,417	+529.8	31.2
North Dakota	9,948	+29.5	+35.9	40,085	+2.9	1,508	+17.6	+34.5	14,097	+16.3	8,440	+34.2	+68.2	25,988	+17.8	64.8
South Dakota	6,717	+54.3	+28.8	39,781	+36.7	3,975	+28.6	+92.9	24,283	+78.6	2,742	+70.0	+13.1	15,498	+101.0	39.0
Region IX:																
Arkansas 1	77,725	+65.3	+31.4	387,744	+65.8	19,489	+14.2	+177.8	130,328	+230.4	58,236	+139.4	+45.2	257,416	+32.4	66.4
Kansas 1	15,643	+14.3	—	98,577	—	14,364	+8.8	—	88,077	—	1,279	+164.3	—	10,500	—	10.7
Missouri 1	66,277	+104.3	—	265,295	—	31,636	+7.1	—	191,489	—	34,641	(?)	—	73,806	—	27.8
Oklahoma	11,113	+10.4	+38.8	85,199	+18.6	7,581	+1	+8.1	53,906	+23.2	3,532	+20.6	+68.3	31,293	+11.4	36.7
Region X:																
Louisiana	6,435	+28.6	+16.9	53,506	+33.8	3,442	+18.6	+52.4	48,262	+38.3	2,993	+286.2	+480.0	5,244	+104.7	9.8
New Mexico	3,395	+14.4	+56.9	31,064	+28.7	1,736	+51.2	+4.4	24,375	+88.0	1,659	+309.6	+72.6	6,689	+40.1	21.5
Texas	204,922	+67.6	+13.0	767,987	+14.2	40,389	+9	+3.4	368,430	+17.0	164,533	+101.8	+17.9	399,557	+11.7	52.0
Region XI:																
Arizona	10,510	+19.7	+11.7	60,031	+8	3,955	+2	+60.6	30,005	+26.0	6,555	+36.0	+5.6	30,026	+16.0	50.0
Colorado	15,476	+21.9	+25.2	87,961	+39.8	8,304	+7.9	+81.4	49,168	+59.3	7,172	+40.8	+7.8	38,793	+21.1	44.1
Idaho	14,189	+26.2	+37.4	86,927	+52.6	7,135	+15.5	+161.5	33,665	+76.5	7,054	+39.3	+7.1	53,262	+50.4	61.3
Montana	7,356	+3.8	+111.7	40,851	+59.0	3,635	+33.0	+73.8	24,446	+49.6	3,721	+67.8	+169.1	16,405	+75.3	40.2
Utah	10,785	+15.9	+142.7	61,387	+169.3	6,759	+11.8	+114.2	36,610	+111.7	4,026	+22.0	+212.8	24,777	+350.5	40.4
Wyoming	2,971	+40.4	+16.7	22,499	+49.5	2,239	+50.9	+5.5	18,732	+38.9	732	+70.2	+318.3	3,767	+141.0	16.7
Region XII:																
California	136,154	+43.4	+111.8	689,079	+81.2	70,973	+2.8	+51.3	524,907	+64.2	65,181	+151.6	+274.9	164,172	+171.2	23.8
Nevada	3,395	+13.6	+55.2	28,848	+54.2	3,156	+6.0	+71.4	24,168	+67.3	239	+58.1	+31.1	2,680	+9.6	10.0
Oregon	30,594	+2.1	+36.5	171,991	+16.0	10,528	+11.0	+21.3	88,199	+1.7	20,066	+3.3	+42.3	83,792	+29.0	48.7
Washington	43,350	+12.2	+114.8	247,191	+93.4	16,029	+4.8	+51.9	128,606	+50.6	27,321	+16.1	+183.6	118,585	+179.7	47.7
Territories:																
Alaska 1	—	—	—	6,013	+20.5	—	—	—	5,981	+20.6	—	—	—	32	(?)	.5
Hawaii	1,422	+80.7	+73.8	9,388	+4.3	844	+10.8	+13.3	8,582	+2.3	578	(?)	+691.8	806	+31.1	8.6

<sup>1</sup> Does not include Alaska for September; data not reported. All percentages based on comparable data.

<sup>2</sup> Not computed, because fewer than 50 placements were made in 1 or both periods.

<sup>3</sup> Increase of more than 1,000 percent.

<sup>4</sup> Excludes 80,528 agricultural placements made in cooperation with the U.S. in Tennessee during September 1942 and credited to Tennessee.

<sup>5</sup> Beginning Feb. 16, data for Kansas City, Kans., included with Kansas City, Mo.

<sup>6</sup> Data not reported for September 1942.

during September in the first two States, and cotton picking accounted for the bulk of all placements in the others. Most of the placements made by the public employment offices in Tennessee were of workers referred to cotton farms in the adjoining States of Arkansas and Mississippi. These five States also reported the largest absolute August-September gains, which ranged from 33,900 in Arkansas to 135,000 in Mississippi. Sharp increases also resulted from the cotton harvests in Alabama, Georgia, Louisiana, Missouri, New Mexico, and South Carolina, while fruit crops were primarily responsible for marked increases in Kansas, Massachusetts, New Hampshire, and Vermont. In Florida, the sharp rise was due largely to the sugar-cane harvest.

On the other hand, declines from August in farm placements were reported by 18 States, including 1 or 2 States in every section of the country and all States in the North Central region. In each State in the latter group, however, as well as in most of the others reporting declines, a substantial increase had occurred in 1 or both of the past 2 months. In addition, in each of these 18 States except Colorado, the District of Columbia, Nevada, Oklahoma, Rhode Island, and South Dakota, the volume of farm placements was greater this September than in September 1941. Only 13 States made fewer agricultural placements

than in September 1941, while, for the first 9 months of 1942, only 8 States reported a smaller number of such placements than for the corresponding period of 1941. In contrast, agricultural placements were more than 10 times as numerous as in September 1941 in Mississippi and New Jersey and from about 6 to 10 times as numerous in Delaware, Georgia, Hawaii, Louisiana, Maine, Massachusetts, Michigan, and South Carolina.

*Nonagricultural placements.*—Although the 649,000 nonagricultural jobs filled during September were only 1.5 percent more than the number in the preceding month, they exceeded the total for September 1941 by 22 percent and were nearly double the number for September 1940, with most of the States reporting higher levels than at any time in the past 2 years. Moreover, except for July 1942, nonfarm placements were more numerous than in any other month since 1935. Primarily responsible for the increase in nonagricultural placements during the month was a marked gain in manufacturing placements, which rose 36,300 or 15 percent above the August level (table 4). Smaller absolute gains also occurred in trade, service, and mining. Although the Employment Service has been giving increased emphasis to servicing the needs of war industries, nearly one-fifth of all placements were in the trade and service groups.

More than half of all nonagricultural jobs filled were in "unskilled and other" occupations, primarily in manufacturing and construction. This proportion represented a slight increase over that for the previous month. Skilled, semiskilled, and service occupations each accounted for approximately one-eighth of the total; there were declines from August in the first two categories and a slight increase for the service group.

Only 23 States reported August-September increases in nonfarm placements and in most of them the gains were slight, amounting to less than 10 percent in 11 States and less than 20 percent in every State except Indiana. The major increases occurred in the important industrial States of the country, such as Connecticut, Indiana, Massachusetts, Michigan, New York, Ohio, and Pennsylvania, instead of in the predominantly agricultural areas, as in the past few months. The numerical gains in Indiana and New York alone were somewhat greater than the net gain for the Nation as a whole.

Table 3.—*Agricultural placements, by type of activity, September and January-September 1942*<sup>1</sup>

[Corrected to Oct. 27, 1942]

Type of activity	September 1942			January-September 1942		
	Number	Percentage change from—		Number	Percentage change from Jan.-Sept. 1941	Percentage distribution
		Aug. 1942	Sept. 1941			
Total.....	747,960	+118.8	+29.9	2,042,932	+46.1	100.0
Agricultural and similar service establishments <sup>2</sup> .....	2,852	-14.3	( <sup>3</sup> )	44,608	( <sup>3</sup> )	2.2
Farming.....	745,108	+120.1	( <sup>3</sup> )	1,998,324	( <sup>3</sup> )	97.8
Grain.....	19,405	-54.1	( <sup>3</sup> )	85,602	( <sup>3</sup> )	4.2
Cotton.....	465,288	+444.1	( <sup>3</sup> )	675,285	( <sup>3</sup> )	33.0
Fruit and tree-nut.....	89,343	+37.6	( <sup>3</sup> )	366,224	( <sup>3</sup> )	17.9
Dairy.....	1,972	-9.7	( <sup>3</sup> )	16,294	( <sup>3</sup> )	.8
Livestock and poultry.....	725	-25.5	( <sup>3</sup> )	10,085	( <sup>3</sup> )	.5
General.....	18,863	+6.8	( <sup>3</sup> )	330,565	( <sup>3</sup> )	16.2
All other.....	149,512	+19.7	( <sup>3</sup> )	514,269	( <sup>3</sup> )	25.2

<sup>1</sup> Excludes Alaska for September; data not reported.

<sup>2</sup> Includes establishments primarily engaged in performing, on a fee or contract basis, such agricultural services as custom milling, hay baling, farm management, and animal-husbandry and horticultural services. Includes also business enterprises engaged in hunting and trapping or in the operation of game preserves.

<sup>3</sup> Data not comparable.

ble 4.—Nonagricultural placements, by industry division and by major occupational group, September 1942<sup>1</sup>

[Corrected to Oct. 28, 1942]

Industry division	All occupations					Professional and managerial	Clerical and sales	Service	Skilled	Semi-skilled	Unskilled and other
	Total number	Percentage change from—		Women	Non-white						
		August 1942	September 1941								
Total.....	648,689	+1.5	+22.2	197,948	113,568	6,435	51,572	82,861	90,741	84,021	333,059
Forestry and fishery.....	397	-15.4	(2)	29	65	9	5	42	13	94	224
Mining.....	3,978	+15.7	(2)	120	296	16	87	48	1,501	332	1,994
Construction.....	173,643	-12.7	(2)	1,772	36,192	531	3,201	1,548	43,041	12,735	112,587
Manufacturing.....	275,276	+15.2	(2)	107,525	20,585	2,530	18,861	5,929	33,547	55,238	159,171
Transportation, communication, and other public utilities.....	17,746	-22.0	(2)	1,690	3,629	77	1,934	559	692	1,226	13,258
Wholesale and retail trade.....	46,044	+9.6	(2)	18,138	8,460	203	12,437	11,234	1,030	3,739	17,401
Finance, insurance, and real estate.....	2,005	-41.5	(2)	1,126	239	7	1,014	650	60	37	237
Service.....	79,083	+1.6	(2)	52,482	35,978	1,522	6,109	58,250	2,036	3,514	7,652
Government.....	50,044	-1.4	(2)	14,925	8,061	1,537	7,865	4,504	8,795	7,013	20,330
Establishments not elsewhere classified.....	473	-23.3	(2)	141	63	3	59	97	26	93	195

<sup>1</sup> Excludes Alaska; data not reported.

<sup>2</sup> Data not comparable.

Although the 27 States reporting declines from August in nonagricultural placements were scattered throughout the country, the bulk of them were in the Southern, North Central, and Rocky Mountain regions. The decline in most of these States was due to completion of the construction and staffing of new war plants—activities which had caused placements to rise sharply during the preceding months. The stimulus of the war program in these States was still evident, however, for in most of them nonagricultural placements this September were on a markedly higher level than in September 1941. In a number of States where declines had occurred, the cumulative total of nonfarm placements for the first 9 months of 1942 was greater than the total for the same months of 1941.

A majority of the States reported increases over August in both the number and the proportion of women placed in nonagricultural jobs. Women were placed in 198,000 or 31 percent of all such jobs filled during the month, as compared with 169,000 or 27 percent during August. Although strictly comparable data are not available for September 1941, it would appear that placements of women were more numerous this September but constituted a smaller proportion of all nonagricultural placements than in the corresponding month of 1941. In the service and manufacturing industries, approximately two-thirds and two-fifths, respectively, of all placements were of women in September; in each industry, placements of women marked a rise

over August in both volume and proportion. These two industry divisions accounted for four-fifths of all female placements in September.

The number of nonagricultural jobs filled by nonwhite persons during September totaled 114,000, a slight increase over the previous month but somewhat below the estimated total for September 1941. A majority of the States shared in the increase over August. The proportion of nonagricultural jobs filled, however, remained the same as in August—18 percent. On the other hand, placements of nonwhite workers constituted 45 percent of all service placements, while they comprised only 7 percent of all manufacturing placements. Approximately 32 percent of all nonwhite placements were in service, another 32 percent were in construction, and 18 percent were in manufacturing.

*Active file.*—Some 2.4 million<sup>7</sup> different individuals had work applications in the active file of public employment offices on September 12 (table 5). This count is not comparable with figures for previous months because of the recent new procedure which restricts to 60 days the maximum validity period for a registration. Approximately one-third of all active registrations were concentrated in Illinois, New York, and Pennsylvania.

For the third successive month, a marked decline occurred in the number of applications for work filed with the Employment Service. Applications dropped 14 percent below the August level—the previous low point for the year—to 1.2 million<sup>8</sup>

<sup>7</sup> Excludes Alaska and Hawaii.

<sup>8</sup> Excludes Alaska and Rhode Island.



and were 13 percent fewer than in September 1941. Although applications usually show a decline from August to September, the drop this year was exceptionally sharp. New applications received during the month and filed primarily by persons

**Table 5.—Total applications received and active file of applications in public employment offices, by State, September 1942**

[Corrected to Oct. 21, 1942]

Social Security Board region and State	Total applications received, September 1942	Active file as of Sept. 12, 1942 <sup>1</sup>
Total.....	1,200,815	2,400,417
Region I:		
Connecticut.....	21,003	17,321
Maine.....	9,166	11,165
Massachusetts.....	50,886	77,764
New Hampshire.....	3,543	7,042
Rhode Island.....	( <sup>2</sup> )	17,576
Vermont.....	1,272	1,933
Region II:		
New York.....	123,363	366,686
Region III:		
Delaware.....	2,296	8,699
New Jersey.....	42,016	102,412
Pennsylvania.....	92,765	194,077
Region IV:		
District of Columbia.....	6,566	10,539
Maryland.....	21,154	22,849
North Carolina.....	15,313	30,577
Virginia.....	15,581	23,236
West Virginia.....	11,247	31,085
Region V:		
Kentucky.....	16,931	56,524
Michigan.....	47,550	70,423
Ohio.....	77,519	134,679
Region VI:		
Illinois.....	74,524	181,478
Indiana.....	37,035	47,868
Wisconsin.....	23,797	36,932
Region VII:		
Alabama.....	18,013	41,713
Florida.....	21,664	45,115
Georgia.....	19,638	70,602
Mississippi.....	13,771	22,198
South Carolina.....	11,283	20,703
Tennessee.....	13,597	41,203
Region VIII:		
Iowa.....	13,771	26,280
Minnesota.....	23,114	32,385
Nebraska.....	11,204	13,712
North Dakota.....	6,089	2,921
South Dakota.....	3,552	2,796
Region IX:		
Arkansas.....	26,078	34,069
Kansas.....	8,744	21,242
Missouri.....	43,525	145,429
Oklahoma.....	19,360	46,442
Region X:		
Louisiana.....	13,382	26,293
New Mexico.....	3,858	7,848
Texas.....	70,593	143,634
Region XI:		
Arizona.....	6,703	9,115
Colorado.....	12,571	12,289
Idaho.....	5,936	1,972
Montana.....	2,080	2,469
Utah.....	4,170	3,677
Wyoming.....	1,453	1,377
Region XII:		
California.....	100,994	141,167
Nevada.....	1,072	617
Oregon.....	13,198	12,164
Washington.....	15,895	20,120
Territories:		
Alaska.....	( <sup>3</sup> )	( <sup>4</sup> )
Hawaii.....	1,970	( <sup>4</sup> )

<sup>1</sup> Data not comparable with previous months, because States are instituting procedure requiring maximum 60-day validity period for all registrants.

<sup>2</sup> Excludes Alaska and Rhode Island; data not reported.

<sup>3</sup> Excludes Alaska and Hawaii; data not reported.

<sup>4</sup> Beginning Feb. 16, data for Kansas City, Kans., included with Kansas City, Mo.

not previously registered with the Employment Service numbered 673,000.<sup>5</sup> Although this total was 17 percent less than that in August and was also the smallest total for any month this year, it was 1.3 percent greater than the September 1941 figure.

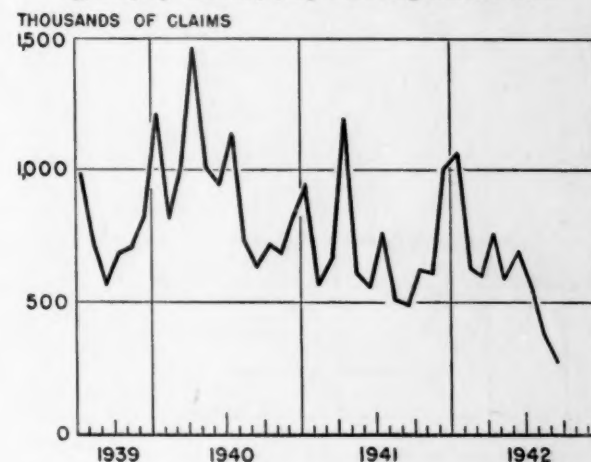
### Insurance Activities

The dwindling volume of unemployment in the Nation as a whole was reflected in sharp declines during September in both the number of claims filed and the amount of unemployment benefits issued. These declines marked a continuation of the fairly steady reduction that has occurred since March 1942 in the claims and benefit loads of most of the States. The absorption of many claimants into war production and the normal seasonal upswing in textile, apparel, and other industries both contributed to the August-September decline.

The total number of man-weeks of unemployment for which claims were filed during September totaled 2.0 million, 21 percent less than in August and the smallest number on record. Benefit disbursements of \$22.4 million during the month were also 21 percent below the August level. Because the average weekly benefit check was higher this year in most of the States, benefit payments were only 2 percent less than in September 1941, while compensated man-weeks of unemployment were 15 percent fewer than in September 1941. If Illinois and New York were excluded from the comparisons with last year, the

<sup>5</sup> Excludes Alaska and Rhode Island.

**Chart 2.—Number of initial claims received in local offices, by month, July 1939–September 1942**



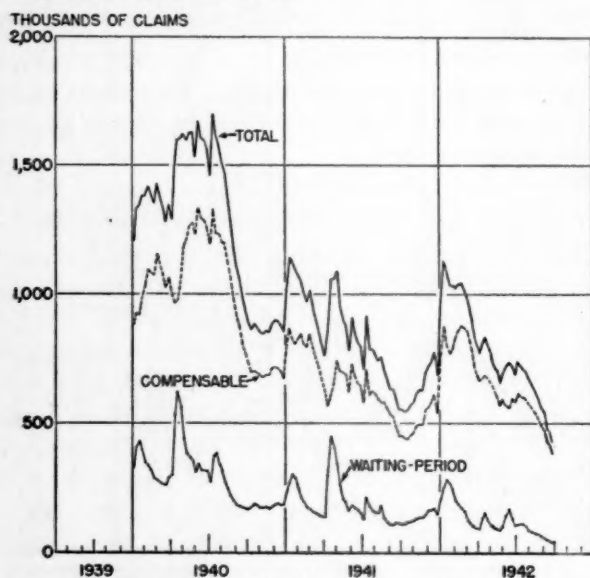
number of compensated weeks of unemployment would be 37 percent fewer and disbursements 30 percent smaller. In these 2 States, weeks compensated were 61 percent greater than in September 1941 and payments were 83 and 85 percent more, respectively, than in last September. During the first 9 months of 1942, payments for the country as a whole amounted to \$305 million, 11 percent more than in the same months last year.

The sharp drop in initial-claim receipts, which reflect new lay-offs among covered workers, foreshadowed still further reductions in the benefit load. Initial claims declined 23 percent below the all-time low recorded in August to a total of 292,000 and were 41 percent less than in September 1941.

The estimated number of different individuals receiving at least one benefit payment during September was 544,000, approximately three-fourths of the previous month's total and by far the smallest number for any month this year. Of all persons unemployed during September, as estimated by the Bureau of the Census, about one-fourth<sup>9</sup> were drawing benefits, the same proportion as in August. The estimated number of

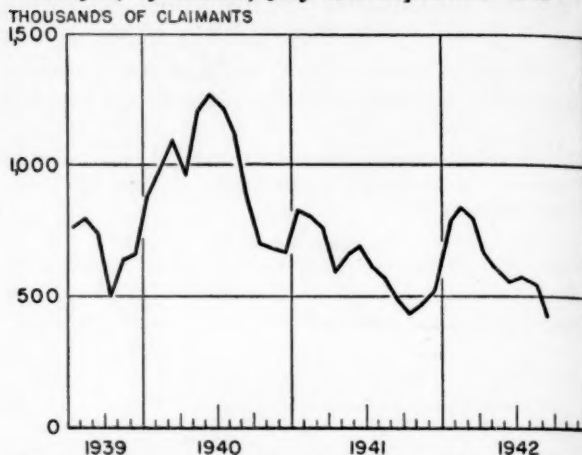
<sup>9</sup> Obtained by dividing the Bureau of the Census count of unemployment during the week of September 6-12 into the average weekly number of benefit recipients during the month.

**Chart 3.—Number of waiting-period and compensable continued claims received, for weeks ended in January 1940–September 1942<sup>1</sup>**



<sup>1</sup> Comparable data not available prior to January 1940.

**Chart 4.—Average weekly number of claimants drawing benefits, by month, July 1939–September 1942<sup>1</sup>**



<sup>1</sup> Data for 1939 represent number of recipients during midweek of month.

benefit recipients was fewer than 500 in 12 States, and, in 6 of these, recipients numbered 200 or less. Not only has the recipient load declined markedly since last year, but its composition has also changed. Scattered reports from States and local offices during August and September have shown that women, older persons, and those handicapped in obtaining jobs by their draft status or by physical defects now comprise a substantial proportion of all benefit recipients. In a number of local offices most of the benefit recipients were women.

**Claims and payments.**—All but a few of the States reported declines from August levels in both continued claims and benefit payments (tables 6 and 7). For most of them, especially the States in the Great Lakes, North Central, Rocky Mountain, and Pacific Coast areas, the declines in both claims and payments were sharp and marked a continuation of the downward trend of the past few months. While September continued-claim receipts were fewer in every jurisdiction except Alaska and Hawaii, slight increases in payments occurred in Missouri, New Hampshire, and Vermont. The bulk of the benefit payments continued to be concentrated in a few States, with Illinois and New York alone accounting for almost half the national outlay. These States, together with California, Michigan, New Jersey, and Pennsylvania, accounted for 69 percent of the month's disbursements as compared with 58 percent in September 1941.

Only 12 States reported greater benefit outlays in September than in the same month of last year

Table 6.—Initial and continued claims received in local offices, by State, September and January–September 1942

[Data reported by State agencies, corrected to Oct. 29, 1942]

Social Security Board region and State	Initial claims						Continued claims							
	September 1942				Jan.-Sept. 1942		September 1942				Jan.-Sept. 1942			
	Number	Percentage change from—		New <sup>1</sup>	Addi- tional <sup>1</sup>	Number	Per- centage change from Jan.- Sept. 1941	Number	Percentage change from—		Wait- ing- period	Compen- sable	Number	Per- centage change from Jan.- Sept. 1941
		Aug. 1942	Sept. 1941						Aug. 1942	Sept. 1941				
Total	291,728	-23.4	-41.3			5,534,773	-12.3	1,991,071	-21.3	-24.3	203,306	1,787,765	29,924,304	-10.8
Region I:														
Connecticut	4,932	-18.9	-34.4	2,951	1,981	78,843	+6.6	24,363	-19.4	-2	2,094	22,269	296,520	+12.4
Maine	1,065	-26.9	-64.8	768	297	29,960	-32.1	8,220	-27.3	-30.6	775	7,445	139,744	-29.8
Massachusetts	13,594	-25.0	-50.9	6,226	7,368	233,580	-23.8	83,672	-28.4	-45.8	5,787	77,585	1,187,972	-31.2
New Hampshire	1,426	-26.7	-29.3	792	634	21,471	+3.4	6,988	-14.1	-27.7	1,131	5,857	96,620	-26.8
Rhode Island	4,907	-16.2	-29.6	3,111	1,796	80,658	+3.3	29,417	-16.5	+4.7	2,298	27,119	399,299	+18.2
Vermont	275	-29.5	-37.9	185	90	6,921	-26.0	1,789	-19.5	-14.6	230	1,559	37,843	-33.0
Region II:														
New York	85,308	-12.1	-11.1	35,403	49,905	1,250,468	-3.7	573,106	-12.7	+44.7	57,342	515,764	4,978,722	-18.5
Region III:														
Delaware	220	-52.5	-78.7	165	55	11,790	-16.1	1,975	-36.7	-44.9	60	1,915	58,782	-7.7
New Jersey	17,141	-20.9	-42.2	9,749	7,392	291,498	-1.3	102,311	-21.6	-25.9	11,059	91,252	1,422,331	+8.2
Pennsylvania	9,379	-39.6	-62.3	1,937	( <sup>1</sup> )	211,720	-39.6	94,729	-24.2	-52.7	15,267	79,462	1,666,728	-40.9
Region IV:														
Dist. of Columbia	478	-32.2	-65.5	423	55	10,753	-40.4	6,388	-14.6	-50.6	502	5,886	90,924	-46.4
Maryland	1,258	-38.7	-74.5	1,257	1	53,096	-26.7	17,245	-39.9	-56.9	835	16,410	333,108	-27.4
North Carolina	3,744	-48.8	-62.7	2,786	958	83,270	-19.6	32,264	-16.5	-41.2	4,050	28,214	446,639	-21.2
Virginia	1,855	-21.1	-36.2	1,855	( <sup>1</sup> )	39,381	-32.0	17,908	-29.8	-31.1	1,325	16,583	299,794	-23.0
West Virginia	1,637	-41.4	-62.0	1,207	480	45,544	-64.0	12,352	-40.8	-33.1	652	11,700	233,818	-47.8
Region V:														
Kentucky	2,364	-27.2	-33.1	1,264	( <sup>1</sup> )	56,472	-5.4	21,199	-21.8	+18.4	1,197	20,002	285,719	+34.2
Michigan	10,757	-30.6	-71.2	5,330	5,427	375,790	+3.5	81,356	-34.1	-55.8	5,251	76,135	2,493,284	+105.0
Ohio	6,683	-40.8	-64.8	1,683	( <sup>1</sup> )	174,576	-21.3	71,935	-29.2	-28.0	10,076	61,859	1,382,073	-2.2
Region VI:														
Illinois	40,903	-26.7	-12.5	16,744	24,159	650,161	+10.8	226,542	-26.4	+49.5	13,959	212,583	2,661,552	+22.3
Indiana	4,110	-23.8	-34.5	1,410	( <sup>1</sup> )	105,606	+32.8	32,424	-31.3	-28.3	2,418	30,006	811,271	+50.2
Wisconsin	2,469	-38.7	-59.6	( <sup>1</sup> )	( <sup>1</sup> )	63,965	-12.2	17,739	-24.6	-33.0	2,395	15,344	416,816	+25.4
Region VII:														
Alabama	4,505	-32.4	-8.5	3,215	1,290	60,276	-17.4	42,127	-12.6	-3.0	7,268	34,859	395,911	-22.4
Florida	3,814	-31.7	-46.1	1,814	( <sup>1</sup> )	73,636	-21.7	40,401	-13.6	-53.5	2,677	37,724	494,024	-19.8
Georgia	5,855	-19.7	-7.9	3,156	2,699	63,670	-7.3	40,532	-13.8	-17.7	8,175	32,357	545,900	+22.8
Mississippi	1,248	-46.8	-60.5	831	417	39,715	-9.4	8,421	-29.8	-55.1	969	7,452	226,252	-2.3
South Carolina	3,191	-25.8	-42.2	1,969	1,222	48,915	-4.0	17,167	-18.6	-37.3	1,903	15,264	266,976	+10.0
Tennessee	4,444	-37.7	-34.6	3,314	1,130	79,797	+4.6	48,417	-18.0	-16.4	4,234	44,183	646,227	+11.0
Region VIII:														
Iowa	1,640	-1.5	-48.1	1,046	594	49,002	-14.2	8,152	-29.5	-50.6	1,286	6,866	273,418	-25.8
Minnesota	2,887	-29.3	-56.3	1,314	1,573	89,416	-17.8	18,067	-23.1	-46.4	1,973	16,094	555,989	-21.7
Nebraska	623	-20.3	-64.6	382	241	19,692	-18.8	3,083	-22.6	-59.1	300	2,783	121,402	-21.4
North Dakota	85	-9.6	-75.5	42	43	6,374	-26.6	565	-44.2	-66.6	16	549	46,520	-26.1
South Dakota	51	-50.0	-84.9	44	7	4,719	-28.9	366	-24.4	-82.2	27	339	32,069	-40.0
Region IX:														
Arkansas	1,168	-68.3	-63.4	1,168	0	32,167	-43.7	13,899	-36.5	-44.9	1,041	12,858	186,354	-51.5
Kansas	1,494	-8.0	-52.4	1,088	406	36,416	-8.3	9,740	-1.2	-45.8	1,065	8,655	220,119	-5.5
Missouri	11,801	+10.1	+6.5	8,252	3,549	120,209	+8.6	61,083	-10.7	-6.8	11,165	49,918	828,496	+19.7
Oklahoma	1,784	-31.7	-42.3	1,784	( <sup>1</sup> )	49,717	-18.8	16,216	-27.2	-27.5	908	15,308	327,073	-2.7
Region X:														
Louisiana	5,546	-36.6	-47.4	4,392	1,154	94,459	-13.9	40,202	-18.5	-58.1	6,155	34,047	617,165	-18.6
New Mexico	218	-10.3	-63.1	174	44	9,279	-13.7	1,313	-34.7	-76.6	67	1,246	67,648	-30.6
Texas	5,015	-34.9	-65.2	( <sup>1</sup> )	( <sup>1</sup> )	127,252	-31.3	32,150	-30.0	-60.5	2,939	29,211	697,608	-29.7
Region XI:														
Arizona	639	+8.1	-64.3	575	64	13,882	-19.7	2,727	-28.3	-60.9	142	2,585	65,633	-26.8
Colorado	674	-13.5	-60.1	511	163	19,136	-34.9	3,516	-37.1	-67.3	355	3,161	105,951	-50.0
Idaho	68	-50.7	-92.9	43	25	13,232	-34.7	1,148	-44.2	-73.6	52	1,096	89,687	-39.9
Montana	175	-41.9	-84.1	91	84	12,419	-39.3	1,376	-38.2	-76.2	98	1,278	93,962	-41.7
Utah	294	+16.7	-78.8	232	62	11,999	-36.0	1,473	-39.3	-85.3	62	1,411	72,893	-26.3
Wyoming	68	-39.8	-82.8	52	16	5,783	-49.5	422	-35.5	-71.5	30	392	29,248	-42.5
Region XII:														
California	18,607	-17.6	-56.5	7,760	10,847	466,322	-15.2	108,924	-22.8	-53.8	11,158	97,766	2,671,960	-22.1
Nevada	153	+39.1	-71.1	124	29	3,887	-43.6	573	-17.6	-77.8	21	552	24,199	-66.1
Oregon	300	-43.4	-92.3	187	113	35,593	-31.8	1,459	-55.0	-87.3	100	1,359	178,352	-40.7
Washington	628	-40.8	-93.2	350	278	68,616	-51.1	2,752	-45.8	-87.8	273	2,479	283,399	-47.5
Territories:														
Alaska	101	( <sup>1</sup> )	+5.2	23	78	536	-65.7	407	+507.5	+59.0	78	329	3,130	-62.6
Hawaii	97	+79.6	-86.3	87	10	2,544	-35.1	441	+42.3	-79.8	46	395	17,180	-34.5

<sup>1</sup> All initial claims reported as new claims in Florida, Indiana, Kentucky, Ohio, Oklahoma, Pennsylvania, Virginia. In some States, additional claims are not required.

<sup>2</sup> Excludes all claims for partial unemployment.

<sup>3</sup> Break-down by type of claim not available. In Wisconsin this is due to provisions of State law which are not comparable with other States.

<sup>4</sup> Not computed, because fewer than 50 initial claims were reported for August.



**Table 7.—Number of benefit recipients, number of weeks compensated, and amount of benefits paid, by State, September 1942**

[Data reported by State agencies, corrected to Oct. 20, 1942]

Social Security Board region and State	Benefit recipients		Weeks compensated for—					Benefits paid <sup>1</sup>				
	Average weekly number	Esti- mated number of different individu- als dur- ing month	All unemployment		Total unemploy- ment		Amount <sup>2</sup>	Percent- age change from August 1942	Type of unemployment			
			Number	Percentage change from—		Number			Percent of all weeks	Total	Part-total <sup>3</sup>	Partial <sup>4</sup>
				August 1942	Septem- ber 1941							
Total.....	422,709	543,600	1,799,870	-20.8	-14.7	1,659,888	92.2	\$22,395,153	-20.7	\$21,268,367	\$365,038	\$728,214
Region I:												
Connecticut.....	4,741	6,400	19,565	-32.5	+6.9	17,613	90.0	246,225	-32.6	230,512	104	15,491
Maine.....	1,716	2,400	7,576	-19.9	-23.0	5,515	72.8	71,365	-21.2	55,275	1,967	14,123
Massachusetts.....	17,022	21,900	74,823	-24.1	-33.5	68,199	91.1	820,190	-24.1	781,915	4,232	33,422
New Hampshire.....	1,356	2,000	5,999	+4.6	-5.3	4,942	82.4	54,015	+4.0	48,221	220	5,574
Rhode Island.....	6,242	8,100	26,555	-17.1	+10.9	24,425	91.9	346,844	-15.5	331,030	( <sup>5</sup> )	( <sup>5</sup> )
Vermont.....	324	400	1,434	+2.1	-1.2	1,319	92.0	14,045	+3.1	13,283	383	379
Region II:												
New York.....	123,341	147,100	527,362	-13.6	+61.2	527,362	100.0	6,993,623	-13.6	6,993,623	( <sup>5</sup> )	( <sup>5</sup> )
Region III:												
Delaware.....	455	600	1,906	-34.4	-38.2	1,393	73.1	16,508	-40.5	14,071	235	2,192
New Jersey.....	22,110	30,400	94,605	-27.2	-17.8	81,952	86.6	1,231,881	-26.6	1,130,344	2,659	97,189
Pennsylvania.....	18,061	26,100	79,059	-20.2	-34.0	79,059	100.0	1,001,571	-18.3	1,001,571	( <sup>5</sup> )	( <sup>5</sup> )
Region IV:												
Dist. of Col.....	1,379	1,800	5,866	-9.7	-43.2	5,647	96.3	77,746	-9.3	74,849	2,234	428
Maryland.....	4,024	5,100	16,688	-35.1	-49.4	12,582	75.4	204,933	-36.4	173,289	492	30,926
North Carolina.....	6,393	8,700	27,859	-23.4	-39.0	25,774	92.5	195,800	-21.2	188,765	1,310	5,509
Virginia.....	4,272	5,500	17,981	-33.5	-16.0	17,047	94.8	177,003	-33.4	171,283	3,358	2,284
West Virginia.....	3,346	4,800	15,484	-32.6	-6.8	11,733	75.8	172,920	-29.2	126,368	0	46,552
Region V:												
Kentucky.....	3,688	4,900	16,190	-23.4	-25.1	14,337	88.6	140,224	-20.9	130,325	6,925	2,587
Michigan.....	20,549	25,100	84,261	-29.5	-48.9	80,577	95.6	1,411,321	-30.1	1,370,599	21,835	18,887
Ohio.....	14,814	19,000	62,174	-26.9	-5.7	55,498	89.3	724,514	-27.0	679,463	13,019	31,703
Region VI:												
Illinois.....	56,150	72,700	237,670	-24.2	+61.1	193,000	81.2	3,137,335	-25.0	2,744,943	127,329	254,041
Indiana.....	6,266	8,300	26,256	-36.9	-29.3	23,426	89.2	313,566	-37.0	294,074	10,820	8,578
Wisconsin.....	3,232	4,300	13,844	-21.3	-22.8	11,657	84.2	173,394	-20.8	154,196	7,072	12,126
Region VII:												
Alabama.....	7,945	10,500	33,520	-6.4	+9.0	31,684	94.5	334,229	-3.1	319,376	13,578	1,170
Florida.....	8,180	10,700	34,029	-19.4	-58.4	31,698	93.1	340,567	-19.4	325,128	13,250	2,189
Georgia.....	7,941	10,400	32,134	-13.3	-3.5	31,033	96.6	303,480	-10.0	295,823	4,519	2,982
Mississippi.....	1,564	2,200	6,483	-25.9	-56.0	5,526	85.2	55,353	-25.0	50,347	1,096	3,870
South Carolina.....	2,788	3,700	11,599	-21.4	-47.0	10,819	93.3	96,685	-18.9	92,550	2,604	1,506
Tennessee.....	9,648	12,900	41,165	-7.6	-13.7	39,636	96.3	389,642	-6.2	379,208	8,236	2,198
Region VIII:												
Iowa.....	1,430	2,000	6,161	-30.2	-50.2	5,312	86.2	57,075	-29.4	52,901	2,970	1,831
Minnesota.....	3,572	4,600	15,423	-14.7	-36.5	13,073	84.8	182,838	-15.0	163,288	11,290	8,260
Nebraska.....	482	600	2,179	-14.4	-61.8	2,029	93.1	22,349	-8.3	21,332	612	404
North Dakota.....	96	100	431	-44.4	-66.2	361	83.8	3,721	-46.0	3,231	282	208
South Dakota.....	92	100	383	-36.2	-76.1	356	93.0	3,440	-36.4	3,223	175	16
Region IX:												
Arkansas.....	2,805	4,200	11,720	-19.7	-48.5	11,332	96.7	94,570	-20.3	92,233	982	1,355
Kansas.....	1,288	1,700	5,307	-25.3	-61.5	4,882	92.0	55,269	-24.3	52,006	2,237	1,026
Missouri.....	10,868	15,700	47,518	+2.0	-9.5	41,186	86.7	546,024	+1.5	510,655	5,938	29,215
Oklahoma.....	2,671	3,400	11,042	-25.7	-29.6	10,066	91.2	130,407	-25.6	121,898	8,125	384
Region X:												
Louisiana.....	7,816	11,000	32,692	-8.7	-59.5	29,906	91.5	338,416	-2.8	317,905	5,196	15,256
New Mexico.....	240	300	991	-40.6	-76.7	965	97.4	9,659	-38.3	9,463	181	15
Texas.....	5,407	7,700	22,704	-21.3	-56.9	20,770	91.5	190,930	-21.0	180,235	10,343	247
Region XI:												
Arizona.....	285	400	1,193	-41.4	-78.7	1,152	96.6	13,542	-41.0	13,198	344	0
Colorado.....	520	700	2,152	-46.0	-76.1	1,998	92.8	21,817	-44.7	20,692	643	472
Idaho.....	226	300	906	-41.4	-73.3	870	96.0	7,848	-42.6	7,250	274	24
Montana.....	326	400	1,377	-41.4	-78.9	1,377	100.0	12,682	-45.9	12,682	( <sup>5</sup> )	( <sup>5</sup> )
Utah.....	356	400	1,580	-26.1	-84.4	1,418	89.7	22,405	-26.1	20,521	1,355	529
Wyoming.....	68	100	283	-31.3	-77.8	238	84.1	3,048	-26.3	2,665	162	221
Region XII:												
California.....	25,356	31,900	107,937	-28.2	-49.1	94,545	87.6	1,565,582	-27.4	1,434,743	63,441	66,523
Nevada.....	91	100	406	-17.5	-83.4	383	94.3	5,345	-16.0	5,125	185	35
Oregon.....	428	600	2,428	-40.7	-62.1	2,028	83.5	30,096	-35.6	26,494	1,187	1,741
Washington.....	544	1,000	2,174	-55.2	-84.2	1,665	76.6	23,422	-53.6	18,769	1,510	3,143
Territories:												
Alaska.....	47	100	188	-47.9	-70.2	182	96.8	2,467	-49.0	2,416	51	0
Hawaii.....	148	200	608	+6.3	-53.2	341	56.1	6,622	-16.4	5,011	78	1,433

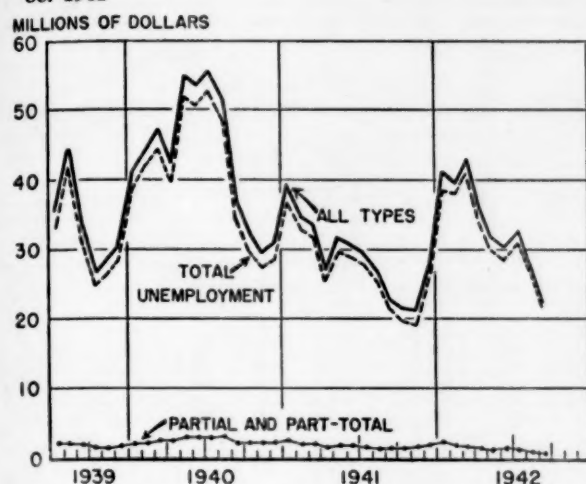
<sup>1</sup> Not adjusted for voided benefit checks.

<sup>2</sup> Includes supplemental payments, not classified by type of unemployment.

<sup>3</sup> Benefits for partial and part-total unemployment are not provided by State law in Montana, New York, and Pennsylvania.

<sup>4</sup> Excludes Rhode Island; data not reported.

**Chart 5.—Amount of unemployment benefits paid, by type of unemployment, by month, July 1939–September 1942**



and in 7<sup>10</sup> of them the number of weeks of unemployment compensated was smaller, an indication that increases in base-period earnings and the size of the average weekly benefit check—not greater unemployment—were responsible for the increased benefit payments. In Connecticut, Illinois, New York, and Rhode Island, payments declined in August and September but, largely as a result of war dislocations, were still considerably greater than in September 1941.

In the 47 States<sup>11</sup> reporting such data, weeks compensated for partial unemployment declined almost one-fifth from August to September to a record low of 95,900 and demonstrated the diminishing number of covered workers who are employed only part time. Partial unemployment, however, accounted for virtually the same proportion of all weeks compensated in these States as in August, since weeks of compensated total unemployment also declined sharply. On the other hand, compared with September 1941,<sup>12</sup> weeks of compensated partial unemployment were a relatively larger part of the total, although the actual number was considerably smaller. While, in the 47 States together, partial unemployment constituted 8.2 percent of all weeks compensated, the proportion was 42 percent in Hawaii as a result of a slackening in canning operations, and approximately 25 percent in Delaware, Maine, Maryland,

and West Virginia. In Delaware and Maryland, this relatively high proportion was primarily due to part-time employment in the apparel industry, while in West Virginia it was attributable to partial unemployment among bituminous-coal miners.

### **Financial Transactions, Third Quarter, 1942**

A slight but general increase in collections deposited in State clearing accounts occurred during July–September 1942 (table 8). Such deposits, based primarily on second-quarter pay rolls, rose 1.5 percent above the April–June total to \$276 million, with all but seven of the States sharing in the increase. Moreover, July–September collections totaled 4.7 percent more than those in the corresponding period of 1941, and, except for the last quarter of 1941 and the first quarter of 1942, exceeded collections for any quarter on record. Third-quarter collections brought the total for the first 9 months of 1942 to \$831 million, 14 percent more than was collected during the same period last year.

As collections rose, disbursements declined—dropping 14 percent below the April–June total to \$83.2 million in the third quarter. In 6 States<sup>13</sup> the amount of benefits paid during the quarter was less than the interest credited to the State account in the unemployment trust fund; the interest earned in 14 other States<sup>14</sup> amounted to more than 50 percent of benefit disbursements. For the third successive quarter, funds available for payment of benefits increased by 7 percent; at the close of September they amounted to \$3.1 billion. This balance represented a gain of 35 percent over the amount available at the end of September 1941.

**Collections.**—Although seven States reported declines in collections from the April–June quarter, the declines in the District of Columbia and in Kansas were less than 1 percent. On the other hand, sharp decreases—of 79 and 52 percent, respectively—occurred in Missouri and New Jersey. The declines in these two States were due to the delayed announcement of 1942 tax schedules which provided for substantial reductions in average State-wide tax rates and necessitated rebates to employers for overpayments made during the second quarter. The decline in Alabama was the

<sup>10</sup> Georgia, Missouri, New Hampshire, Ohio, Vermont, Virginia, West Virginia.

<sup>11</sup> Excludes Montana, New York, Pennsylvania, Rhode Island.

<sup>12</sup> Based on 42 States reporting this type of payment for both periods.

<sup>13</sup> Alaska, Hawaii, Oregon, South Dakota, Washington, Wyoming.

<sup>14</sup> Arizona, Colorado, Delaware, District of Columbia, Idaho, Indiana, Iowa, Montana, Nebraska, Nevada, North Dakota, Ohio, Texas, Vermont.

**Table 8.—State unemployment compensation funds available for benefits, cumulative collections and interest, and benefits paid, by State, by specified period through September 1942**

[Data reported by State agencies,<sup>1</sup> corrected to Oct. 26, 1942]

Social Security Board region and State	Month and year benefits first pay- able	Funds available for bene- fits as of Sept. 30, 1942		Collections *				Benefits paid *		
		Amount †	Percent- age change from June 30, 1942	Cumulative through September 1942 †		July-September 1942		Cumulative through Sep- tember 1942 †	July-September 1942	
				Collections and interest ‡	Collections	Amount	Percent- age change from April- June 1942		Amount	Percent- age change from April- June 1942
<b>Total</b>		\$3,100,636,567	+7.2	\$5,199,445,919	\$4,992,292,830	\$275,953,782	+1.5	\$1,992,908,619	\$83,244,471	-14.4
<b>Region I:</b>										
Connecticut	Jan. 1938	82,687,729	+8.5	111,549,384	106,972,049	7,087,203	+4.1	28,069,656	1,062,799	+21.1
Maine	do	11,963,126	+16.1	25,802,849	25,217,604	1,877,274	+11.1	13,584,381	284,431	-29.6
Massachusetts	do	129,387,050	+4.5	237,578,151	228,091,460	8,203,062	+3.1	105,878,372	3,388,844	-1.9
New Hampshire	do	11,181,768	+8.6	19,782,168	19,024,261	988,223	+5.5	8,362,294	166,984	-41.3
Rhode Island	do	30,403,274	+11.3	61,182,786	59,595,082	4,337,355	+4.4	30,627,522	1,422,823	-24.3
Vermont	do	5,828,152	+8.5	9,202,724	8,833,045	473,036	+9.8	3,047,501	45,656	-48.7
<b>Region II:</b>										
New York	do	373,744,433	+6.7	766,213,078	741,255,844	45,963,514	+1.0	385,610,668	24,450,220	+97.8
<b>Region III:</b>										
Delaware	Jan. 1939	10,496,447	+2.9	13,516,872	12,804,489	323,734	+13.8	2,559,556	81,942	-37.1
New Jersey	do	217,117,798	+3.1	283,010,828	269,287,063	9,712,884	-52.1	61,624,510	4,463,919	+5.6
Pennsylvania	Jan. 1938	291,643,647	+11.5	505,185,863	489,359,856	32,131,037	+7.9	206,843,220	3,509,998	-1.1
<b>Region IV:</b>										
Dist. of Col.	do	30,289,169	+7.3	39,411,513	37,293,660	2,145,908	-5	8,332,118	254,072	-14.3
Maryland	do	47,491,853	+12.9	79,559,156	77,085,520	6,149,731	+12.8	30,871,955	960,731	-31.7
North Carolina	do	44,911,295	+9.4	69,274,177	66,637,161	4,291,634	-10.7	23,259,549	668,079	-13.5
Virginia	do	33,528,098	+8.6	57,385,876	55,154,867	3,906,001	+24.4	21,403,930	827,821	-18.4
West Virginia	do	34,472,007	+8.4	60,699,220	58,753,388	3,238,256	+15.0	25,225,631	746,750	+14.7
<b>Region V:</b>										
Kentucky	Jan. 1939	49,335,014	+7.2	66,553,797	63,213,442	3,588,564	+15.5	14,466,802	541,591	-28.5
Michigan	July 1938	131,417,159	+6.0	291,943,831	283,106,872	12,360,237	+2.2	158,595,193	5,605,651	-61.1
Ohio	Jan. 1939	259,863,297	+3.9	342,064,141	324,106,872	11,207,781	+13.2	73,663,838	2,808,349	-33.7
<b>Region VI:</b>										
Illinois	July 1939	290,840,983	+5.2	426,265,330	406,008,608	25,100,313	+3.4	121,583,177	12,351,332	+1.9
Indiana	Apr. 1938	79,608,882	+7.7	133,484,245	128,139,665	6,687,434	-5.4	50,685,776	1,422,961	-47.4
Wisconsin	July 1936	75,094,669	+5.4	103,418,791	96,610,195	4,074,625	+19.1	26,359,689	669,163	-44.1
<b>Region VII:</b>										
Alabama	Jan. 1938	33,822,830	+7.7	56,722,677	54,771,199	3,204,579	-13.8	22,899,851	964,596	+33.3
Florida	Jan. 1939	18,022,296	+7.0	38,958,037	37,550,312	2,265,155	+8.9	19,427,189	1,190,073	-8.1
Georgia	do	36,850,205	+5.5	53,762,375	51,241,735	2,726,881	+8.0	14,473,472	991,884	-17.0
Mississippi	Apr. 1938	7,831,877	+13.4	16,706,975	16,177,133	1,099,247	+6.5	8,232,686	215,492	-60.8
South Carolina	July 1938	19,829,063	+6.7	29,032,802	27,689,528	1,502,886	+11.8	8,512,096	360,814	-22.2
Tennessee	Jan. 1938	26,927,619	+10.8	54,874,287	53,160,172	3,762,592	+10.5	26,419,226	1,276,612	-21.6
<b>Region VIII:</b>										
Iowa	July 1938	28,179,338	+6.7	46,587,211	44,675,644	1,870,163	+4.2	16,285,828	252,823	-69.4
Minnesota	Jan. 1938	33,334,007	+9.0	73,694,410	71,074,628	3,263,841	+4.3	37,843,420	692,981	-58.2
Nebraska	Jan. 1939	11,291,576	+6.2	18,352,350	17,358,004	680,741	+58.9	5,379,192	78,718	-65.3
North Dakota	do	2,701,416	+6.1	5,309,826	5,070,803	164,027	+3.0	2,030,931	24,517	-78.8
South Dakota	do	4,041,708	+4.7	5,758,141	5,423,399	176,687	+37.9	1,313,126	17,831	-75.1
<b>Region IX:</b>										
Arkansas	do	12,027,456	+11.8	21,004,853	20,225,529	1,482,553	+3.5	7,589,556	273,983	+16.9
Kansas	do	20,297,440	+8.1	30,893,185	29,343,321	1,641,106	-8	7,871,239	222,230	-59.8
Missouri	do	87,845,944	+3	117,709,538	111,590,731	1,492,862	-79.0	24,992,133	1,689,872	-31.2
Oklahoma	Dec. 1938	23,899,064	+5.1	38,153,529	36,233,547	1,557,416	+27.6	13,253,436	530,591	-49.1
<b>Region X:</b>										
Louisiana	Jan. 1938	25,933,481	+10.4	55,435,374	53,424,535	3,344,319	+11.7	28,322,255	1,037,666	-30.5
New Mexico	Dec. 1938	4,107,245	+10.2	8,341,746	8,015,004	407,542	+27.0	3,719,952	49,817	-71.5
Texas	Jan. 1938	77,511,179	+6.4	121,124,390	115,263,220	4,946,663	+22.8	39,386,184	734,494	-47.4
<b>Region XI:</b>										
Arizona	do	6,873,940	+14.5	13,254,551	12,860,876	898,778	+18.5	6,042,373	64,882	-51.7
Colorado	Jan. 1939	16,601,922	+9.1	28,777,918	27,513,379	1,427,782	+40.5	10,647,955	134,003	-45.9
Idaho	Sept. 1938	4,759,982	+17.0	11,990,050	11,633,997	609,102	+23.0	6,857,050	31,133	-86.2
Montana	July 1939	7,254,346	+11.9	16,106,750	15,493,880	805,146	+5.1	7,666,298	71,774	-80.2
Utah	Jan. 1938	7,866,188	+15.7	16,615,462	16,135,121	1,110,028	+22.2	8,232,302	85,974	-64.3
Wyoming	Jan. 1939	3,827,661	+11.0	7,504,071	7,231,316	345,292	+11.4	3,374,376	13,143	-81.3
<b>Region XII:</b>										
California	Jan. 1938	253,052,557	+11.3	475,107,069	456,912,345	30,492,860	+23.6	214,250,733	6,188,672	-49.3
Nevada	Jan. 1939	2,767,241	+32.5	6,144,390	5,976,456	685,635	+51.1	3,020,415	21,185	-69.7
Oregon	Jan. 1938	23,082,938	+16.3	41,884,883	40,622,250	3,224,952	+34.7	18,211,555	118,685	-71.7
Washington	Jan. 1939	45,729,409	+16.0	70,919,569	68,228,844	6,198,670	+21.5	23,515,482	140,627	-75.7
<b>Territories:</b>										
Alaska	do	2,630,377	+17.9	3,956,363	3,828,485	397,697	+53.9	1,312,608	10,985	-77.3
Hawaii	do	10,729,512	+8.8	11,678,257	11,025,834	830,774	+53.9	868,865	24,296	-63.4

<sup>1</sup> Except interest which is credited and reported by the U. S. Treasury. See footnote 5.

\* Represents sum of balances at end of month in State clearing account and benefit-payment account, and in State unemployment trust fund account maintained in the U. S. Treasury. State unemployment trust fund accounts reflect transfers to railroad unemployment insurance account.

† Represents contributions from employers plus such penalties and interest as are available for benefits and contributions from employees. Adjusted for refunds of contributions and for dishonored contribution checks. Current contribution rates, as a percent of taxable wages, are as follows: For employers, 2.7 percent in all States except Michigan, where rate is 3.0 percent; for employees, 1.0 percent in Alabama, California, and New Jersey, and 0.5 percent in Rhode Island. 34 States have adopted experience rating which

modifies above rates. All States collect contributions either wholly or in part on quarterly basis.

\* Includes contributions through June 30, 1939, on wages earned by employees of railroads and other groups now subject to Railroad Unemployment Insurance Act, and \$40,561,586 refunded in 1938 by Federal Government to 15 States, collected on pay rolls for 1936 under title IX of Social Security Act.

† Interest represents earnings of funds in State accounts in unemployment trust fund and is credited at end of each quarter.

‡ Adjusted for voided benefit checks.

\* Includes benefits paid through June 30, 1939, to workers now subject to Railroad Unemployment Insurance Act.



**Table 9.—Ratio of benefits<sup>1</sup> to collections,<sup>2</sup> by State, by specified period through September 1942**

[Data reported by State agencies,<sup>3</sup> corrected to Oct. 26, 1942]

Social Security Board region and State	Month and year benefits first payable	Ratio (percent) of—			
		Benefits to collections January-September 1942	Benefits to collections October 1941-September 1942	Benefits to collections since benefits first payable	Total benefits to cumulative collections and interest <sup>4</sup>
Total.....		36.7	33.7	50.3	38.3
Region I:					
Connecticut.....	Jan. 1938..	14.7	14.1	30.6	25.2
Maine.....	do.....	19.5	20.4	63.2	52.6
Massachusetts.....	do.....	36.4	33.8	56.7	44.6
New Hampshire.....	do.....	19.8	22.5	56.4	42.3
Rhode Island.....	do.....	33.8	30.5	59.2	50.1
Vermont.....	do.....	19.6	17.4	41.0	33.1
Region II:					
New York.....	do.....	40.1	37.7	59.8	50.3
Region III:					
Delaware.....	Jan. 1939..	35.2	27.7	28.6	18.9
New Jersey.....	do.....	32.5	30.7	30.2	21.8
Pennsylvania.....	Jan. 1938..	14.5	14.4	49.3	40.9
Region IV:					
Dist. of Col.....	do.....	16.3	17.5	26.4	21.1
Maryland.....	do.....	20.7	20.8	45.3	38.8
North Carolina.....	do.....	19.7	21.0	40.6	33.6
Virginia.....	do.....	28.8	27.0	45.7	37.3
West Virginia.....	do.....	26.1	22.8	51.8	41.6
Region V:					
Kentucky.....	Jan. 1939..	22.5	19.6	32.4	21.7
Michigan.....	July 1938..	89.8	69.8	71.8	54.3
Ohio.....	Jan. 1939..	31.9	25.3	32.2	21.5
Region VI:					
Illinois.....	July 1939..	45.8	41.5	47.6	28.5
Indiana.....	Apr. 1938..	42.2	37.7	49.9	38.0
Wisconsin.....	July 1936..	45.4	34.8	37.2	25.5
Region VII:					
Alabama.....	Jan. 1938..	25.0	24.9	49.7	40.4
Florida.....	Jan. 1939..	59.9	61.9	69.8	49.9
Georgia.....	do.....	43.4	39.7	40.2	26.9
Mississippi.....	Apr. 1938..	45.1	43.6	61.9	49.3
South Carolina.....	July 1938..	34.1	32.3	39.5	29.3
Tennessee.....	Jan. 1938..	45.4	43.8	58.1	48.1
Region VIII:					
Iowa.....	July 1938..	30.4	25.1	46.7	35.0
Minnesota.....	Jan. 1938..	55.2	51.0	63.8	51.4
Nebraska.....	Jan. 1939..	54.9	50.9	51.8	29.3
North Dakota.....	do.....	61.3	48.1	63.4	38.2
South Dakota.....	do.....	42.1	38.0	37.6	22.8
Region IX:					
Arkansas.....	do.....	20.3	21.4	52.6	37.6
Kansas.....	do.....	37.8	41.5	40.7	25.5
Missouri.....	do.....	44.5	38.8	32.0	21.2
Oklahoma.....	Dec. 1938..	54.8	48.4	55.6	34.7
Region X:					
Louisiana.....	Jan. 1938..	49.1	53.2	61.8	51.1
New Mexico.....	Dec. 1938..	41.8	37.2	66.4	44.6
Texas.....	Jan. 1938..	27.6	26.5	41.1	32.5
Region XI:					
Arizona.....	do.....	18.5	21.7	55.6	45.6
Colorado.....	Jan. 1939..	20.2	19.5	56.7	37.0
Idaho.....	Sept. 1938..	42.1	36.5	79.0	57.2
Montana.....	July 1939..	50.9	46.3	81.4	47.6
Utah.....	Jan. 1938..	31.8	35.9	60.5	49.5
Wyoming.....	Jan. 1939..	34.9	30.7	69.3	45.0
Region XII:					
California.....	Jan. 1938..	42.3	41.2	54.9	45.1
Nevada.....	Jan. 1939..	17.7	20.4	67.5	49.2
Oregon.....	Jan. 1938..	21.1	20.4	52.2	43.5
Washington.....	Jan. 1939..	15.6	16.3	47.3	33.2
Territories:					
Alaska.....	do.....	15.9	13.9	44.4	33.2
Hawaii.....	do.....	8.3	6.9	11.1	7.4

<sup>1</sup> Adjusted for voided benefit checks; includes benefits paid through June 30, 1939, to employees of railroads and other groups now subject to Railroad Unemployment Insurance Act.

<sup>2</sup> See table 8, footnotes 3 and 4.

<sup>3</sup> Except interest earned on funds in State accounts in unemployment trust fund, which is credited and reported by the U. S. Treasury at end of each quarter.

<sup>4</sup> Comparisons are valid only among States which initiated benefits at same time.

<sup>5</sup> Ratio for Wisconsin based on benefits and collections since Jan. 1, 1938.

result of the lowered State-wide contribution rate, effective on second-quarter pay rolls. In the two remaining States, Indiana and North Carolina, the drop was attributable to reduced taxable pay rolls

**Table 10.—Status of State accounts in the unemployment trust fund, by State, fiscal year 1942-43 through September**

Region <sup>1</sup> and State	Balance as of June 30, 1942	July-September 1942			Balance as of Sept. 30, 1942
		Deposits	Interest credited	Withdrawals	
Total.....	\$2,880,900,018	\$276,756,114	\$16,812,548	\$82,120,000	\$3,092,348,680
Reg. I:					
Conn.....	76,115,668	7,084,000	447,671	1,100,000	82,547,339
Maine.....	10,253,741	1,883,000	63,165	310,000	11,889,906
Mass.....	123,541,036	8,200,000	707,928	3,700,000	128,748,964
N. H.....	10,225,458	995,000	60,411	160,000	11,120,869
R. I.....	27,090,729	4,346,000	162,710	1,275,000	30,324,439
Vt.....	5,335,257	473,787	31,420	20,000	5,820,464
Reg. II:					
N. Y.....	349,108,664	45,953,998	2,029,405	23,845,000	373,247,067
Reg. III:					
Del.....	10,149,164	322,500	57,464	100,000	10,429,128
N. J.....	210,160,818	9,670,000	1,190,425	4,500,000	216,521,243
Pa.....	261,250,550	32,050,000	1,546,457	4,000,000	290,847,007
Reg. IV:					
D. C.....	28,207,022	2,145,000	164,054	255,000	30,261,076
Md.....	41,825,312	6,154,000	255,978	850,000	47,385,290
N. C.....	40,240,743	4,980,000	244,940	600,000	44,865,683
Va.....	30,776,201	3,340,000	177,959	895,000	33,399,160
W. Va.....	31,727,124	3,242,000	184,590	820,000	34,333,714
Reg. V:					
Ky.....	45,894,991	3,574,000	265,386	600,000	49,134,377
Mich.....	123,053,237	12,361,258	719,680	5,500,000	130,634,175
Ohio.....	249,796,547	11,280,000	1,425,200	2,830,000	258,671,537
Reg. VI:					
Ill.....	275,262,753	25,113,000	1,590,969	12,000,000	289,066,722
Ind.....	73,698,135	6,707,829	434,758	1,400,000	79,440,722
Wis.....	71,082,294	4,083,615	411,403	600,000	74,977,312
Reg. VII:					
Ala.....	31,280,247	3,204,000	183,075	885,000	33,782,322
Fla.....	16,663,749	2,240,000	96,246	1,200,000	17,799,995
Ga.....	34,722,535	2,725,000	201,599	900,000	36,749,134
Miss.....	6,833,950	1,115,000	41,458	200,000	7,790,408
S. C.....	18,493,065	1,496,000	107,464	330,000	19,746,529
Tenn.....	24,020,037	3,762,000	142,637	1,500,000	26,424,674
Reg. VIII:					
Iowa.....	26,319,723	1,897,500	151,503	225,000	28,143,726
Minn.....	30,353,222	3,355,000	179,354	600,000	33,287,576
Nebr.....	10,590,008	695,000	61,288	80,000	11,265,296
N. Dak.....	2,544,056	162,000	14,745	25,000	2,695,801
S. Dak.....	3,846,179	180,000	22,158	12,500	4,035,837
Reg. IX:					
Ark.....	10,733,019	1,486,981	64,599	295,000	11,989,599
Kans.....	18,641,794	1,649,957	110,003	145,000	20,256,754
Mo.....	87,381,781	1,535,000	490,232	1,675,000	87,732,013
Okl.....	22,621,896	1,550,000	130,253	485,000	23,816,949
Reg. X:					
La.....	23,313,466	3,349,000	189,738	1,100,000	25,702,199
N. Mex.....	3,680,227	410,000	21,968	30,000	4,082,195
Tex.....	72,728,421	4,947,000	421,720	800,000	77,297,141
Reg. XI:					
Ariz.....	5,984,221	897,500	36,489	75,000	6,843,210
Colo.....	15,183,718	1,411,000	89,064	125,000	16,557,782
Idaho.....	4,035,352	710,000	24,786	20,000	4,750,138
Mont.....	6,431,621	830,000	38,689	59,000	7,241,280
Utah.....	6,776,925	1,105,000	41,809	85,000	7,828,734
Wyo.....	3,120,247	327,588	18,686	-----	3,466,521
Reg. XII:					
Calif.....	226,505,138	30,482,085	1,359,617	5,550,000	252,796,840
Nev.....	2,036,724	600,000	13,795	-----	2,740,519
Oreg.....	19,814,031	3,224,969	122,639	127,500	23,084,159
Wash.....	39,393,098	6,205,000	243,550	160,000	45,681,648
Territories:					
Alaska.....	2,202,241	326,079	13,048	-----	2,541,368
Hawaii.....	9,854,083	828,468	58,308	50,000	10,690,859

<sup>1</sup> Social Security Board region.

Source: U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

or delinquent employer contributions, or a combination of both factors.

The tremendous expansion in taxable pay rolls during the past year was evident in increased collections during July–September 1942, as compared with July–September 1941, in all but 12 States. Declines occurred in 11 of the 17 States in which experience rating became effective in 1942, and in Indiana, where modified rates have been in effect since 1940. In each of these 12 States except Missouri, the decline in the average State-wide tax rate was approximately equal to, if not greater than, the drop in collections from the third quarter of 1941 to the corresponding quarter of 1942. In a number of other experience-rating States, increases in taxable pay rolls more than covered the loss of revenue to State unemployment compensation funds resulting from reduced contribution rates. Although 12 States had declines in collections as compared with July–September 1941, only 7 failed to collect as much in the first 9 months of 1942 as they did in the corresponding period of last year.

*Ratio of benefits to collections.*—The slight increase in collections during July–September 1942 was accompanied by a marked drop in benefit expenditures. As a result, only 30 cents of every \$1 collected was disbursed during the third quarter, although 44 and 36 cents had been paid out in the first and second quarters, respectively. Moreover, 36 States reported no more than 25 percent of their third-quarter collections paid out in benefits, and in 12 of these States, including all but 1 of those in the Rocky Mountain area, the ratio was less than 10 percent. The July–September ratio for all States, however, was the same as in the corresponding period of 1941, though in sharp contrast to the 69 cents paid out for every \$1 collected in July–September 1940.

Only six States showed increases in their benefit-collection ratios from the second to the third quarters of 1942. In three of these—

Arkansas, Connecticut, and New York—sharply increased expenditures overbalanced a slight rise in collections. Conversion unemployment and seasonal lay-offs caused the increased expenditures in Connecticut, while the beginning of uniform benefit years in Arkansas and New York caused the increases in those States. In Alabama and New Jersey, the higher benefit-collection ratio was due to greater disbursements combined with lower collections, while in Missouri it was due to reduced tax rates and to refunds granted employers for overpayments in the preceding quarter.

The declining ratio of benefits to collections during the third quarter of 1942 brought the benefit-collection ratio down from an average of 40 percent for the first 6 months of the year to 37 percent for the 9-month period (table 9). The ratio for January–September 1942, however, was only slightly less than the ratio for the corresponding months of last year, although all but 15 States reported lower ratios. In most cases, the declines were marked, especially in the North Central, Rocky Mountain, and Pacific Coast areas. Increases over the first 9 months of last year occurred in 9 industrial States, where there had been heavy conversion unemployment in the early part of the year. Experience-rating tax reductions also accounted for increases in some of these States.

For the first 9 months of 1942, only 7 States reported more than 50 cents in benefit payments for every \$1 collected in contributions, and in none except Michigan was more than 61 cents paid out per \$1 collected. In contrast, during January–September 1941, 15 States reported more than half their collections paid out in benefits, and in a number of them this ratio was substantially greater. At the other end of the scale, 25 cents or less was disbursed in benefits for every \$1 collected during January–September 1942 in 18 States as compared with only 10 States during the first 9 months of 1941.

## Disposition of Appealed Claims, July - December 1941\*

Administrative review, by an impartial tribunal, of benefit determinations which do not satisfy the worker or his employer is provided by all State unemployment compensation laws. If procedures for reinvestigating the evidence and adjusting the decision within the unemployment compensation agency fail to reconcile divergent views, appeals may be taken by any of the interested parties to an appeal tribunal. The initial tribunals—the lower appeal bodies—are composed of one referee or a board consisting of a salaried referee and one representative each of employers and employees, or some combination or variant of these two types. Most States permit appeal from the lower tribunal to a higher administrative body—usually the administrative agency itself or an independent board of review.<sup>1</sup> If any party remains unconvinced by the decision of the higher appeal tribunal he may carry his appeal to the courts.

On certain or all issues, especially labor disputes, many State laws empower the deputy of the agency to refer facts directly to the lower or higher appeal authority, which then makes an initial determination. The following discussion, however, is concerned with the more important type of review case, which arises when a lower appeal authority reviews deputy determinations or amended determinations prepared by an adjustment section, or a higher authority reviews decisions of the deputy or the lower appeal authority. A third category, not included in this discussion, consists of cases which the appeal tribunals have remanded, referred, or dismissed or which have been withdrawn by the appellant.

Issues involved in appealed cases arise out of the statutory requirements of State laws and fall into several main categories: the accuracy and completeness of the agency's record of the workers' wage credits; the inclusion of the employment within the coverage of the State law; the eligibility requirements that a worker must be able to work and available for work; and the various disqualifying conditions under which benefits are suspended for some specified period, such as those

which arise when a worker has left work voluntarily, has refused to accept suitable work, has been discharged for misconduct, or is involved in a labor dispute.<sup>2</sup>

Analysis of reports from the States on appeal cases disposed of during the latter half of 1941 reveals that differences regarding two questions—the claimant's "ability and availability for work" and the allegation that he was "not unemployed"—were more numerous than cases involving any other single issue. Decisions involving voluntary leaving, coverage, and the accuracy or completeness of the agency's record of the claimant's wage credits ranked next. At the lower appeal stage, 90 percent of the cases were initiated by benefit claimants, as compared with slightly more than 58 percent of higher authority cases. Somewhat less than half of all review cases before the lower authorities were won by the claimants. In the appeals brought by employers, 58 percent were determined in favor of the claimant, but only 46 percent of the appeals instituted by claimants were decided in their favor. This tendency for claimants to fare better in cases appealed by the employer was also a characteristic of the higher authorities' decisions; claimants prevailed in 27 percent of the cases in which they were the appellant, but they won 73 percent of the cases appealed by employers. On the whole, however, the cases disposed of by the higher authorities were less advantageous to claimants than lower review cases, since only 42 percent of the former resulted in decisions in favor of the claimant.

<sup>1</sup> For a discussion of the substantive content of the various issues, see "Issues Involved in Decisions on Disputed Claims for Unemployment Benefits," *Social Security Yearbook*, 1940, pp. 31-33.

**Table 1.—Percentage distribution of cases reviewed by lower and higher appeal authorities, by issue involved, July-December 1941**

Issue involved	Lower appeal authorities	Higher appeal authorities
Total number.....	26,646	2,448
Total percent.....	100.0	100.0
Ability, availability, and not unemployed.....	22.5	23.3
Voluntary leaving.....	21.7	12.8
Coverage.....	12.8	23.1
Wage credits.....	11.7	8.1
Labor disputes.....	8.1	6.3
Suitable work.....	7.6	6.7
Misconduct.....	6.2	4.8
Fraud.....	3.8	7.9
All other.....	5.6	7.0

\* Prepared in the Reports and Analysis Division, Bureau of Employment Security.

<sup>1</sup> Five States—Connecticut, Hawaii, Massachusetts, Nebraska, New Hampshire—have only one appeal authority. Five other jurisdictions—Alaska, District of Columbia, Nevada, New Mexico, Vermont—did not handle any higher review cases during the second half of 1941.



Finally, the data indicate the promptness with which the cases were decided. About one-fifth of the 26,900 lower authority decisions in 50 States were handed down within a month of the filing date, while approximately the same proportion was disposed of in 31-45 days, in 46-60 days, and in 61-90 days. Thus, about 80 percent were disposed of within 3 months, as compared with 74 percent of the 3,500 higher authority cases.

In addition to data for the last 6 months of 1941, the analysis has drawn upon a study of appeals during July 1940-June 1941. A sample of benefit decisions during this period was analyzed by the Reports and Analysis Division, but the sample proved to be unrepresentative. Therefore, the entire 18-month period has not been analyzed as a continuous whole, but rather the emphasis has been placed upon the last 6 months of 1941, with occasional references to the previous year if the material is consistent and relevant.

#### *Volume of Appeals*

Reports of State agencies for the last 6 months of 1941 indicate that 31,600 cases were disposed of by the lower and 4,000 cases by the higher appeal authorities. Almost 85 percent of the lower appeal cases involved the review of an initial decision; fewer than 1 percent were initial cases on which no previous determination had been made by the initial authority. The remainder were withdrawn, remanded to the claims examiner, referred to a higher authority, consolidated with other cases, or dismissed without decision. At the higher stage, 61 percent were reviews of initial determinations or lower authority decisions, 26 percent consisted of initial cases, and 13 percent were withdrawn, remanded, referred, or dismissed without decision.

Type of case	Number	Percent
Lower authorities, total.....	31,607	100.0
Review cases.....	26,646	84.3
Initial cases.....	251	.8
Referred, remanded, dismissed, and withdrawn cases.....	4,710	14.9
Higher authorities, total.....	3,998	100.0
Review cases.....	2,442	61.1
Initial cases.....	1,031	25.8
Referred, remanded, dismissed, and withdrawn cases.....	525	13.1

Almost one-third of the 26,600 decisions of lower authorities were handed down in New York; 60

percent were accounted for by the highly industrialized States of New York, Massachusetts, Illinois, Ohio, California, and Pennsylvania. The smallest number of cases arose in States<sup>3</sup> in the Rocky Mountain area.

Since the volume of appeal cases in the various States is not significant in the light of differences in the numbers of covered workers, the ratio of lower appeal cases to new benefit claims disposed of on first determination has been selected as the criterion for measuring the relative volume of appeal cases (table 2).<sup>4</sup> For the country as a whole, 9 cases were appealed to lower tribunals for every 1,000 claims, but the State ratios ranged from 90 per 1,000 in Hawaii to 2 or less per 1,000 in Louisiana, Montana, Nevada, Utah, Virginia, and Wyoming. Fairly high ratios, 14-26 per 1,000 new claims, were found in 12 States. The States with the smallest absolute number of cases also had the lowest ratio of appeal cases to new claims, perhaps because of the great distances between towns in these States and the difficulties in holding hearings. Several Southern States also had relatively few lower appeal cases, probably because claimants had insufficient knowledge of their rights under the unemployment compensation law. The farm States in the West Central area had, as a group, the highest ratios.<sup>5</sup>

Three-fourths of the 251 initial cases handled by the lower appeal authorities arose in Indiana, North Dakota, and New Jersey. While Indiana and New Jersey, like 18 other States, permit initial determinations to be made on any issue by the lower appeal body, North Dakota provides that only labor-dispute cases shall receive such special treatment if so directed by the agency. More than 1,000 of the 4,700 cases disposed of without a decision were in New York, 590 in Illinois, and 520 in California. Together, these 3 States accounted for the same percentage of these cases as of review cases—45 percent.

More than 37 percent of the 2,400 higher authority decisions on cases appealed from the lower appeal and initial authorities arose in New York. Nearly 8 percent arose in New Jersey, while Illinois, California, and Pennsylvania each had

<sup>3</sup> Montana, Nevada, New Mexico, Wyoming.

<sup>4</sup> A time lag of 3 months has been allowed between the new-claims and appeal series, since it is likely that most of the appeals during the latter half of 1941 were on new claims disposed of between April and September 1941.

<sup>5</sup> The Minnesota agency makes a practice of sending all doubtful cases to the appeal body.

from 5 to 7 percent (table 3). More than three times as many claimants as cases were involved in decisions of the higher appeal bodies. In Utah, 1,500 claimants were involved in 12 cases, chiefly labor disputes; California also had more than 1,000 claimants in 143 cases. Georgia's 29 cases in-

volved 585 claimants and centered chiefly about benefit rights of farmers and agricultural workers who had some covered employment during the year but were held unavailable for work when they returned to their customary employment.

The ratio of higher to lower appeal cases carries

**Table 2.—Outcome and source of review cases disposed of by lower appeal authorities, by State, July–December 1941**

[Data reported by State agencies, corrected to Aug. 10, 1942]

Social Security Board region and State	Number of appeal decisions	Cases involving review of initial authority decisions										
		Number of cases	Number of claim- ants in- volved	Number re- view deci- sions per 1,000 new benefit claims dis- posed of on first deter- mination	Percent of cases in which 1—		Cases appealed by claimant <sup>1</sup>			Cases appealed by employer <sup>1</sup>		
					Claim- ants won	Claim- ants lost	Total number	Number won by—		Total number	Number won by—	
								Claimant	Employer		Claimant	Employer
Total.....	31,607	26,646	34,111	9.2	47.5	52.5	24,089	11,165	12,924	2,546	1,485	1,061
Region I:												
Connecticut.....	704	566	566	20.7	35.7	64.3	527	181	346	39	21	18
Maine.....	194	134	134	5.4	38.1	61.9	123	43	80	11	8	3
Massachusetts.....	2,848	1,786	1,786	10.9	20.4	79.6	1,583	291	1,292	203	73	130
New Hampshire.....	83	70	72	4.9	38.6	61.4	67	25	42	3	2	1
Rhode Island.....	498	335	335	10.1	29.3	70.7	335	98	237	0	0	0
Vermont.....	33	20	29	9.0	55.0	45.0	19	10	9	1	1	0
Region II:												
New York.....	8,331	8,331	8,331	14.1	51.7	48.3	8,331	4,308	4,023	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Region III:												
Delaware.....	27	23	23	4.7	47.8	52.2	21	9	12	2	2	0
New Jersey.....	1,121	932	932	6.8	51.1	48.9	925	471	454	7	5	2
Pennsylvania.....	1,379	1,270	1,270	5.5	36.8	63.2	1,269	466	803	1	1	0
Region IV:												
District of Columbia.....	102	73	73	8.6	52.1	47.9	73	38	35	0	0	0
Maryland.....	598	447	447	11.7	43.6	56.4	447	195	252	0	0	0
North Carolina.....	336	331	331	7.1	37.5	62.5	245	80	165	86	44	42
Virginia.....	84	67	67	1.4	55.2	44.8	66	36	30	1	1	0
West Virginia.....	492	414	2,204	11.4	34.2	65.8	366	121	245	43	19	24
Region V:												
Kentucky.....	621	578	578	14.8	42.2	57.8	296	117	179	282	127	155
Michigan.....	879	721	960	3.4	56.0	44.0	623	338	285	98	66	32
Ohio.....	1,615	1,435	1,583	17.2	47.6	52.4	1,184	540	644	251	143	108
Region VI:												
Illinois.....	2,345	1,755	1,755	6.8	55.5	44.5	1,479	836	643	276	138	138
Indiana.....	516	319	319	8.4	43.6	56.4	295	120	175	24	19	5
Wisconsin.....	265	173	173	7.4	42.2	57.8	102	35	67	71	38	33
Region VII:												
Alabama.....	231	186	186	5.2	60.2	39.8	136	62	74	50	50	0
Florida.....	314	247	247	3.5	61.8	38.2	221	139	82	25	13	12
Georgia.....	249	193	197	5.2	54.4	45.6	171	88	83	22	17	5
Mississippi.....	78	65	65	3.4	46.2	53.8	65	30	35	0	0	0
South Carolina.....	297	225	225	8.9	33.3	66.7	169	59	110	56	16	40
Tennessee.....	259	195	199	4.1	37.2	62.8	188	70	118	3	1	2
Region VIII:												
Iowa.....	565	513	513	25.0	48.7	51.3	471	239	232	42	11	31
Minnesota.....	752	597	597	20.6	58.5	41.5	303	119	184	294	230	64
Nebraska.....	141	103	111	13.9	35.0	65.0	55	14	41	48	22	26
North Dakota.....	117	60	60	25.5	43.3	56.7	40	17	23	20	9	11
South Dakota.....	43	42	42	13.8	40.5	59.5	33	10	23	9	7	2
Region IX:												
Arkansas.....	221	199	216	6.2	57.3	42.7	198	114	84	1	0	1
Kansas.....	133	106	106	7.9	49.1	50.9	93	43	50	13	9	4
Missouri.....	540	469	533	9.6	51.6	48.4	317	138	179	152	104	48
Oklahoma.....	147	121	131	5.5	62.8	37.2	113	68	45	8	8	0
Region X:												
Louisiana.....	120	112	112	1.8	50.9	49.1	112	57	55	6	0	0
New Mexico.....	18	16	16	3.1	( <sup>2</sup> )	( <sup>2</sup> )	15	8	7	1	0	1
Texas.....	1,095	985	985	13.7	48.0	52.0	815	362	453	170	111	59
Region XI:												
Arizona.....	55	53	64	6.5	52.8	47.2	44	20	24	9	8	1
Colorado.....	82	70	70	5.0	47.1	52.9	68	31	37	2	2	0
Idaho.....	137	111	111	19.0	57.7	42.3	111	64	47	0	0	0
Montana.....	16	12	12	1.6	( <sup>2</sup> )	( <sup>2</sup> )	12	5	7	0	0	0
Utah.....	21	20	1,477	2.1	( <sup>2</sup> )	( <sup>2</sup> )	19	2	17	0	0	0
Wyoming.....	9	9	9	2.4	( <sup>2</sup> )	( <sup>2</sup> )	9	5	4	0	0	0
Region XII:												
California.....	1,944	1,424	2,986	8.1	57.7	42.3	1,235	681	554	189	140	46
Nevada.....	8	7	7	2.4	( <sup>2</sup> )	( <sup>2</sup> )	7	3	4	0	0	0
Oregon.....	172	100	487	8.9	62.0	38.0	81	47	34	19	15	4
Washington.....	635	489	2,242	14.5	36.6	63.4	476	176	300	13	3	10
Territories:												
Alaska.....	0	0	0	0	0	0	0	0	0	0	0	0
Hawaii.....	137	137	137	89.8	100.0	0	136	136	0	1	1	0

<sup>1</sup> Excludes 11 "no appellant cases."

<sup>2</sup> Data not reported.

<sup>3</sup> Percentages not computed for States with fewer than 25 cases.

more significance than the absolute number of higher cases, and, for the country as a whole, this ratio was 9 higher appeals to every 100 lower appeals. Georgia, New Jersey, Wisconsin, and West Virginia had large proportions of their lower

cases passed on to higher authorities. Very low ratios were found in Maryland, Arizona, Rhode Island, Colorado, and Florida.

All but 17 of 1,031 initial cases considered by the higher authorities were from New Jersey. This

**Table 3.—Outcome and source of review cases disposed of by higher appeal authorities, by State, July–December 1941**

[Data reported by State agencies, corrected to Aug. 10, 1942]

Social Security Board region and State	Number of appeal decisions	Cases involving review of initial and lower authority decisions										
		Number of cases	Number of claim- ants in- volved	Number higher au- thority de- cisions per 100 lower author- ity decisions	Percent of cases in which 1—		Cases appealed by claimant 1			Cases appealed by employer 1		
					Claimant won	Claimant lost	Total number	Number won by—		Total number	Number won by—	
								Claimant	Employer		Claimant	Employer
Total.....	3,998	2,442	7,441	9.2	41.7	58.3	1,442	384	1,058	708	512	196
Region I:												
Connecticut 1												
Maine.....	9	9	9	6.7	(1)	(1)	9	0	9	0	0	0
Massachusetts 1												
New Hampshire 1												
Rhode Island.....	18	13	172	3.9	(1)	(1)	13	9	4	0	0	0
Vermont.....	0	0	0	0	0	0	0	0	0	0	0	0
Region II:												
New York.....	954	912	921	10.9	44.4	55.6	482	102	380	286	239	47
Region III:												
Delaware.....	5	4	4	(4)	(1)	(1)	3	0	3	0	0	0
New Jersey.....	1,271	190	190	20.4	40.0	60.0	126	41	85	24	19	5
Pennsylvania.....	150	129	129	10.2	16.4	83.6	64	5	59	9	7	2
Region IV:												
District of Columbia.....	0	0	0	0	0	0	0	0	0	0	0	0
Maryland.....	23	11	11	2.5	(1)	(1)	11	7	4	0	0	0
North Carolina.....	45	39	282	11.8	45.2	54.8	24	9	15	7	5	2
Virginia.....	8	5	5	7.5	(1)	(1)	1	0	1	3	1	2
West Virginia.....	69	63	345	15.2	13.6	86.4	47	5	42	12	3	9
Region V:												
Kentucky.....	64	53	265	9.2	32.1	67.9	18	3	15	35	14	21
Michigan.....	91	73	360	10.1	50.0	50.0	32	9	23	38	26	12
Ohio.....	107	80	357	5.6	22.5	77.5	58	13	45	22	5	17
Region VI:												
Illinois 1	184	169	169	9.6	40.8	59.2	126	36	90	43	33	10
Indiana.....	27	22	22	6.9	(1)	(1)	12	5	7	9	6	3
Wisconsin.....	46	46	46	26.6	50.0	50.0	18	4	14	28	19	9
Region VII:												
Alabama.....	14	10	10	5.4	(1)	(1)	5	0	5	5	5	0
Florida.....	13	11	46	4.5	(1)	(1)	4	1	3	7	6	1
Georgia.....	29	29	585	15.0	76.9	23.1	16	11	5	10	9	1
Mississippi.....	9	8	8	12.3	(1)	(1)	5	4	1	2	2	0
South Carolina.....	22	20	20	8.9	(1)	(1)	10	5	5	8	4	4
Tennessee.....	28	23	25	11.8	(1)	(1)	9	3	6	0	0	0
Region VIII:												
Iowa.....	36	34	34	6.6	44.1	55.9	23	6	17	11	9	2
Minnesota.....	72	69	69	11.6	65.2	34.8	58	35	23	11	10	1
Nebraska 1												
North Dakota.....	6	6	6	10.0	(1)	(1)	3	0	3	0	0	0
South Dakota.....	10	9	9	(4)	(1)	(1)	8	3	5	1	1	0
Region IX:												
Arkansas.....	16	16	49	8.0	(1)	(1)	4	0	4	9	9	0
Kansas.....	15	12	167	11.3	(1)	(1)	7	3	4	5	4	1
Missouri.....	62	54	89	11.5	60.4	39.6	19	5	14	34	27	7
Oklahoma.....	16	14	15	11.6	(1)	(1)	8	6	2	6	3	3
Region X:												
Louisiana.....	8	6	6	5.4	(1)	(1)	4	2	2	1	1	0
New Mexico.....	0	0	0	0	0	0	0	0	0	0	0	0
Texas.....	207	53	53	5.4	36.0	64.0	35	14	21	15	4	11
Region XI:												
Arizona.....	2	2	9	3.8	(1)	(1)	1	0	1	1	1	0
Colorado.....	8	3	4	4.3	(1)	(1)	0	0	0	1	1	0
Idaho.....	15	15	15	13.5	(1)	(1)	13	2	11	1	1	0
Montana.....	6	6	6	(4)	(1)	(1)	5	1	4	1	1	0
Utah.....	12	12	1,469	(4)	(1)	(1)	12	0	12	0	0	0
Wyoming.....	2	2	2	(4)	(1)	(1)	2	0	2	0	0	0
Region XII:												
California.....	152	143	1,014	10.0	41.3	58.7	89	30	59	54	29	25
Nevada.....	0	0	0	0	0	0	0	0	0	0	0	0
Oregon.....	19	10	13	10.0	(1)	(1)	5	1	4	5	5	0
Washington.....	60	57	431	11.7	12.3	87.7	53	4	49	4	3	1
Territories:												
Alaska.....	0	0	0	0	0	0	0	0	0	0	0	0
Hawaii 1												

<sup>1</sup> Excludes 292 "no appellant cases" and "initial authority appeals."

<sup>2</sup> Only 1 appeal authority in this State.

<sup>3</sup> Percentages not computed for States with fewer than 25 cases.

<sup>4</sup> Ratios not computed for States with fewer than 50 lower review cases.

<sup>5</sup> Excludes 86 cases involving 24,116 claimants in a labor dispute, which were handled by the State director of labor.



State, like 13 others, provides that the initial determination on labor disputes shall be made by the final administrative appeal body. Of the 525 cases withdrawn, referred, remanded, and dismissed, 154 were from Texas and 117 from Ohio.<sup>6</sup>

### Issues Involved

*Lower authorities.*—For the Nation as a whole, the most important issue in cases appealed to lower tribunals during July–December 1941 concerned ability and availability for work and not unemployed (table 1). The second most important issue was voluntary leaving, followed by coverage and wage credits. These four issues accounted for 69 percent of the total. During the year July 1940–June 1941, disputes over the accuracy and completeness of records of wage credits was the foremost issue in appeal cases, and together with voluntary leaving, ability and availability, and coverage had accounted for about 75 percent of all cases. Appeal decisions involving claims and registration, partial unemployment, other remuneration, waiting period, seasonality, and miscellaneous issues constituted only 6 percent of all appeals in July–December 1941 and 7 percent in the prior 12 months. The incidence of these issues among the States was far from uniform, even apart from the States in which one or more of the disqualifications did not exist (table 4).<sup>7</sup>

Voluntary leaving—22 percent of all cases—was the second most important issue in terms of the national total, but it accounted for more than half of all decisions in South Dakota, New Hampshire, Colorado, Iowa, Arizona, Idaho, and Rhode Island. In four of these States that issue had been significant during the preceding year as well. The terms of the disqualification for voluntary leaving were very severe in many of these States; consequently, appeals were numerous. For example, in South Dakota a worker's benefit rights earned from any employer were forfeited if he voluntarily quit his job without good cause. In three States the disqualification holds for the duration of the unemployment, while, in several

<sup>6</sup> Smaller numbers came from Michigan, New Jersey, New York, Pennsylvania.

<sup>7</sup> The percentage distribution of issues within each State is not too well adapted for comparisons among the States. In some cases, particular issues will appear unduly important because of the absence of certain disqualification provisions or certain types of cases, while in others very large percentages will be the result, not of the significance of any particular issue, but of the insignificance of the remaining questions.

others, a reduction of benefit rights was required. Voluntary leaving is considered so serious an offense in some States that very few cases involving this issue arise. Instead, employers tend to raise other issues, such as availability for work, discharge for misconduct, or refusal of suitable work. In this way, a worker's benefit rights may be restricted, but the disqualification will not be for voluntary leaving.

Coverage is particularly difficult to analyze as a source of appeals, because State procedures vary widely. New York, for example, handles all appeals on coverage questions which involve contribution payments by an administrative process paralleling that for appeals on benefit rights, but other States do not regard appeals on contributions in the same light as benefit appeals. The latter States only consider whether employment was covered or wages were earned from a specific employer. The relative importance of the issue in New York is explained partly by the broader concept of the issue; it may also be related to the size of the State, the complicated statutory exclusions from coverage, and the attempts of employers to evade payment of contributions—which may be a more important problem in New York than elsewhere. While coverage had figured prominently in Minnesota in the earlier period studied, it was a minor issue in the latter half of 1941. Florida and Missouri, however, were conspicuous for high percentages of cases on this question in both periods. In Missouri, a great deal of difficulty had been presented by the common-control provision<sup>8</sup> of the State law. Florida's large number of employers with businesses in other States, as well as the seasonal character of its industries, might explain the high percentage of appeals on this issue.

Cases concerning the accuracy and completeness of wage records comprised 82 percent of all cases in the District of Columbia; during July 1940–June 1941 they had constituted 78 percent. Louisiana, Arkansas, Illinois, and New York likewise had a fairly high proportion of wage-credit cases; both New York and Illinois had had fairly significant percentages in the earlier period as well. The fact that the District of Columbia law covers employers of one or more workers increases the

<sup>8</sup> Two or more units, each of which employs fewer than 8 workers, are subject to the State law if they are under common ownership or control and together employ 8 or more workers.

possible number of small employers whose wage reports must be on file in order to make benefit computations and thus increases the possibility of contests and appeals if any such reports are missing. In New York, recordkeeping was less troublesome than obtaining reports from a large number of firms, including fly-by-night clothing manufacturers and contractors who might have been trying to evade coverage. These difficulties,

in addition to other administrative factors, were responsible for the recent statutory amendment increasing the lag between the base period and the start of the new benefit year from 3 to 5 months.

The procedure for handling appeals involving labor disputes differs greatly among the States, a fact which partially explains the variations in the number of cases arising from this issue.

**Table 4.—Percentage distribution of review cases disposed of by lower appeal authorities, by issue involved, by State, July–December 1941**

[Data reported by State agencies, corrected to Aug. 10, 1942]

State	Cases involving review of initial authority decision	Percentage distribution <sup>1</sup> of review cases by issue involved							
		Ability, availability, not unemployed	Voluntary leaving	Coverage	Wage credits	Labor dispute	Refusal of suitable work	Misconduct	All other
Total.....	26,646	22.5	21.7	12.8	11.7	8.1	7.6	6.2	9.4
States with experience-rating provisions in effect in 1942:									
Alabama.....	186	81.7	4.8	1.1	.5	0	5.9	3.8	2.2
Arizona.....	53	1.9	54.7	11.3	5.7	0	0	24.5	1.9
Arkansas.....	199	28.7	18.6	4.5	28.1	10.6	4.5	5.0	0
California.....	1,424	33.5	2.8	6.5	6.9	22.1	22.8	2.5	2.9
Colorado.....	70	7.1	61.4	2.9	1.4	0	12.9	14.3	0
Connecticut <sup>2</sup> .....	566	44.9	35.5	2.1	.5	3.0	2.1	10.6	1.3
Delaware.....	123								
Florida.....	247	30.8	14.2	16.2	19.8	.4	8.5	9.3	.8
Georgia.....	193	15.0	37.3	13.0	7.3	.5	9.3	15.0	2.6
Hawaii <sup>2</sup> .....	137	.7	0	0	0	0	0	99.3	0
Indiana.....	319	16.3	25.1	1.9	2.2	0	26.3	7.5	20.7
Iowa.....	513	12.5	56.5	5.1	.6	.4	4.7	18.3	1.9
Kansas.....	106	63.2	9.4	16.0	2.8	0	1.9	5.7	1.0
Kentucky.....	578	16.8	39.5	0	3.6	1.7	12.6	18.7	7.1
Massachusetts <sup>2</sup> .....	1,786	15.7	39.2	1.2	4.8	35.6	1.2	0	2.3
Michigan.....	721	28.3	22.6	13.5	6.7	2.9	6.9	9.8	9.3
Minnesota.....	597	1.2	39.3	2.3	6.7	38.2	.3	8.9	3.1
Missouri.....	469	26.4	27.5	14.5	7.5	3.2	2.6	13.9	4.4
Nebraska <sup>2</sup> .....	103	17.5	33.0	5.8	18.4	0	10.7	7.8	6.8
New Hampshire <sup>2</sup> .....	70	8.6	68.6	0	0	0	7.1	8.6	7.1
New Jersey.....	932	87.2	6.2	.8	1.3	0	2.4	1.8	.3
New Mexico.....	116								
North Dakota.....	60	28.3	41.7	0	10.0	0	3.3	5.3	8.4
Ohio.....	1,435	18.7	10.3	8.6	8.4	0	17.8	4.8	31.4
Oklahoma.....	121	74.4	5.0	9.9	5.0	1.6	.8	2.5	.8
Oregon.....	100	33.0	10.0	3.0	8.0	27.0	6.0	9.0	4.0
South Carolina.....	225	23.1	37.3	1.8	.9	0	14.2	22.7	0
South Dakota.....	42	0	69.0	0	4.8	0	0	26.2	0
Texas.....	985	23.5	42.7	.3	.7	0	4.2	21.4	7.2
Vermont.....	120								
Virginia.....	67	29.8	19.4	9.0	13.4	0	1.5	26.9	0
West Virginia.....	414	28.8	37.9	.7	6.5	3.9	2.2	10.9	9.1
Wisconsin.....	173	5.8	21.4	2.9	2.3	5.2	7.5	37.0	17.9
Wyoming.....	19								
States without experience-rating provisions in effect in 1942:									
Alaska.....	0								
District of Columbia.....	73	1.4	2.7	9.6	82.2	0	0	0	4.1
Idaho.....	111	16.2	54.1	8.1	10.8	0	.9	6.3	3.6
Illinois.....	1,755	30.1	19.2	9.6	22.5	0	9.3	6.3	3.0
Louisiana.....	112	42.0	15.1	2.7	32.1	.9	3.6	1.8	1.8
Maine.....	134	35.8	16.4	1.5	3.0	17.9	8.2	14.9	2.3
Maryland.....	447	21.0	48.1	1.4	.5	.2	11.4	17.0	.4
Mississippi.....	65	64.6	7.7	4.6	18.5	0	1.5	3.1	0
Montana.....	112								
Nevada.....	17								
New York.....	8,331	11.8	9.5	30.3	21.1	1.8	7.4	2.2	15.9
North Carolina.....	331	44.7	24.2	.6	1.8	0	7.6	19.0	2.1
Pennsylvania.....	1,270	1.1	44.9	3.2	2.3	38.3	1.0	0	9.2
Rhode Island.....	335	14.3	51.7	0	13.7	0	14.3	3.0	3.0
Tennessee.....	195	61.5	14.4	3.6	9.2	1.0	2.6	5.7	2.0
Utah.....	120								
Washington.....	489	48.1	12.3	1.0	4.5	29.7	1.6	2.0	.8

<sup>1</sup> Percentage distribution not computed for States with fewer than 25 cases.

<sup>2</sup> Connecticut, Hawaii, Massachusetts, Nebraska, and New Hampshire have only 1 appeal authority.

The laws of 14 States provide that findings of fact in labor-dispute issues shall be transmitted to the higher appeal authority for initial determination; therefore, in these States such a case would come before the lower authority only if a claimant or his employer appealed from this initial determination. The case might reach the higher appeals authority a second time, but only if an appeal were taken from the decision of the lower tribunal. Presumably, an appeal would be less likely to occur in States where the first determination had been made by the higher authority, since such decisions are likely to carry more weight than those of local-office deputies.

Decisions involving the labor-dispute issue constituted 30-40 percent of all lower-authority cases in Minnesota, Pennsylvania, Massachusetts, and Washington, although they were only 8 percent for the Nation as a whole. None of the States with significant proportions of cases on this issue had special statutory requirements that such cases must be referred to either higher or lower administrative appeal bodies for initial determination. This fact, along with variations in the degree of unionization and employer organization, probably accounts for the higher proportion of labor-dispute cases in these States.

The operation of the suitable-work disqualification frequently involves a double disqualification. For example, an employee might leave his job voluntarily or be dismissed, be disqualified for voluntary leaving or for misconduct, and subsequently receive an offer of the same work from his former employer which, when refused, would result in the imposition of the disqualification for refusal of suitable work. This practice is most prevalent in States with experience-rating provisions and active employer associations. Such a disqualification has also been used to circumvent the absence of a statutory disqualification for misconduct or voluntary leaving.<sup>9</sup> Refusal of suitable work was fairly important as a cause of appeals in Indiana, California, Ohio, Rhode Island, and South Carolina. Indiana and South Carolina had also had fairly high percentages in the year ended June 1941.

Appeal decisions involving the misconduct issue constituted a high percentage of all cases in Ha-

waii, Wisconsin, Virginia, South Dakota, Arizona, South Carolina, Texas, and North Carolina. Five of these States had also had considerable proportions of such cases in the preceding year. The penalty for misconduct is severe in all of them, particularly in Wisconsin and South Dakota. Experience rating, too, played a part, since employers in States with such provisions either in operation or soon to become effective were likely to raise the question of disqualification of their former workers on the grounds of misconduct more frequently than employers with no direct interest in benefit expenditures. Experience-rating provisions had been effective in both Wisconsin and South Dakota since 1940 or before; in Virginia and Texas they were effective during 1941; and in Arizona, North Carolina, and South Carolina they would be operative in January 1942 or 1943. It is also likely that workers were more inclined to appeal when the penalty for misconduct was severe.

Some of the issues which were minor in the country as a whole, and which have been grouped together in the tables under the heading "All other," were fairly important in individual States. For example, cases involving fraud accounted for only 4 percent of the total, but constituted 11 percent of all New York and 8 percent of the Pennsylvania decisions. Claim and registration was the issue in less than 3 percent of all cases, but accounted for 6 percent of all Michigan cases. Partial unemployment, other remuneration, and seasonality showed no conspicuously high percentage in individual States, although 2 percent of Maine's cases were concerned with partial unemployment, in contrast to 0.2 percent for the country as a whole. Two percent of Oregon's cases were appealed on the seasonality issue as opposed to 0.1 percent for the whole country. The remaining issues accounted for only 3 percent of all cases, but in Ohio, Indiana, and Wisconsin, the proportions were considerably greater. The fact that 27 percent of the Ohio cases fell in the miscellaneous group probably reflects the large volume of cases involving the average weekly wage issue; since the proportion had been 42 percent during the 1940-41 period, the controversy over the State's complicated formula for determining the amount of weekly benefits had evidently subsided somewhat.

*Higher authorities.*—The issues involved in

<sup>9</sup> During the 6-month period under consideration all States except Pennsylvania had a misconduct disqualification. New York had just added voluntary leaving and Massachusetts misconduct as disqualifications.



higher authority cases did not rank in the same order as in lower appeal cases (table 5). While ability and availability for work and not unemployed were together the most important issue for the Nation, coverage assumed almost twice as much importance as voluntary leaving. This situation was probably due to the fact that claimants had won a very large proportion of coverage cases at the lower stage and dissatisfied employers carried the cases to the higher authorities.<sup>10</sup> Fraud was more important at the higher stage—7.9 percent of the cases as opposed to 3.8 percent at the lower level. These four issues accounted for somewhat more than two-thirds of all the higher appeal cases, a slightly greater proportion than during the 1940-41 period. Labor disputes, misconduct, and refusal of suitable work were less significant for the Nation as a whole than they had been at the lower appeal stage.

New Jersey had a very high proportion of cases (71 percent) on ability and availability for work and not unemployed. Coverage was the most important issue in Texas, Missouri, and New York, while voluntary-leaving cases were prominent in Iowa and Pennsylvania.

<sup>10</sup> In the 1940-41 period, claimants won 63 percent of coverage cases at the lower level; 71 percent of coverage cases at the higher stage were appealed by employers, in contrast to 45 percent for all cases.

For the country as a whole, the relatively lower ranking of the issues of suitable work, labor disputes, and misconduct was reversed in some States. In Ohio, 41 percent of the higher appeal cases fell in the miscellaneous category; the majority probably involved the average weekly wage question. On the whole, the pattern of distribution of the higher cases was very similar to that of the lower appeal cases, with the variations among the States remaining fairly constant.

### Source of Appeal

*Lower authorities.*—As might be expected, approximately 9 of every 10 appeals from initial determinations were made by claimants (table 2). Claimants filed more than 50 percent of the appeals in every State. Practically all appeals were made by claimants in New York, New Jersey, and Pennsylvania, which together accounted for about 40 percent of all appeals. The range among the other States was slight, since in 35 States employees appealed more than 85 percent of the cases, exactly as in the year ended June 30, 1941. In the remaining 15 States the range was from 50 to 85 percent. In 10 States all appeals were made by workers during the latter half of 1941, while only 2 States had this percentage in the previous 12 months.

**Table 5.—Percentage distribution of review cases disposed of by higher appeal authorities, by issue involved, by State,<sup>1</sup> July-December 1941**

[Data reported by State agencies, corrected to Aug. 10, 1942]

State	Cases involving review of initial authority decision	Percentage distribution of review cases by issue involved							
		Ability, availability, not unemployed	Voluntary leaving	Coverage	Wage credits	Labor dispute	Refusal of suitable work	Misconduct	All other
Total, 46 States <sup>1,2</sup>	2,442	23.3	12.8	23.1	8.1	6.3	6.7	4.8	14.9
States with experience-rating provisions in effect in 1942:									
California	143	30.7	2.1	12.6	4.9	23.8	19.6	.7	5.6
Georgia	29	6.9	34.5	20.7	10.3	10.3	3.5	10.3	3.5
Iowa	34	2.9	73.6	5.9	2.9	0	0	14.7	0
Kentucky	53	20.8	28.3	0	0	1.9	9.4	26.4	13.2
Michigan	73	12.3	21.9	30.2	2.7	12.3	5.5	6.9	8.2
Minnesota	69	1.4	28.1	4.4	11.6	39.1	0	14.5	2.9
Missouri	54	16.7	7.4	42.6	5.5	1.8	11.1	11.1	3.8
New Jersey	190	71.1	3.2	14.2	2.6	0	3.2	.5	5.2
Ohio	80	5.0	1.3	23.7	18.7	0	2.5	1.3	47.5
Texas	53	0	26.4	50.9	5.7	0	1.9	11.3	3.8
West Virginia	63	39.7	15.8	4.8	3.2	9.5	0	9.5	17.5
Wisconsin	46	2.2	15.2	6.5	0	19.6	6.5	45.7	4.3
States without experience-rating provisions in effect in 1942:									
Illinois <sup>3</sup>	169	39.0	9.5	18.9	15.4	0	9.5	5.9	1.8
New York	912	14.9	2.4	35.7	10.6	1.2	7.9	1.3	26.0
North Carolina	39	43.6	20.5	2.6	2.6	5.1	10.2	12.8	2.6
Pennsylvania	129	4.7	65.1	6.2	3.0	6.2	1.6	0	13.2
Washington	57	52.6	7.0	1.8	5.3	26.3	1.8	1.8	3.4

<sup>1</sup> Data for States with fewer than 25 cases are not shown, but are included in total for 46 States.

<sup>2</sup> Connecticut, Hawaii, Massachusetts, Nebraska, and New Hampshire have only 1 appeal authority.

<sup>3</sup> Excludes 86 labor-dispute cases which were handled by the State director of labor.

A definite relationship appears to exist between experience rating and participation of employers in appeal procedures. Seven of the 10 States where every lower authority case was appealed by a worker had no statutory provision for experience rating, and two others (the District of Columbia and Nevada) were not to begin experience rating until 1943 or 1944. In each of the other States without experience-rating provisions in effect in 1942, high percentages were appealed by employees. On the other hand, the 4 States with the highest proportions of employer appeals were Wisconsin, Nebraska, Minnesota, and Kentucky, each of which had instituted experience rating by January 1941 or earlier. During the 1940-41 period, the same relationship had been demonstrated, since 9 of the 16 States in which 15 percent or more of the appeals came from employers had experience rating, while only 8 experience-rating States were found among the remaining 35 States.

The data for the latter half of 1941 do not reveal the source of appeal in each of the issues involved, but such information is available for the previous period. Employers appealed only 1 percent of the wage-credit cases and 3 percent of the coverage cases, as contrasted with 20 percent for misconduct and a proportion only slightly lower for cases involving voluntary leaving, suitable work, and labor dispute. More active participation by employers in these cases is not surprising, especially in experience-rating States where some financial interest is at stake. Very few of the appeals were attempts to get the adjudicating body to clarify policy by having the deputy file an appeal from lower authority decisions.

**Higher authorities.**—Employers played a much more significant role in higher appeal cases than in lower (table 3). The national average showed employers to be the appellants in 30 percent of the higher cases, as opposed to 10 percent of the lower cases; in the 1940-41 period, employer appeals had comprised 45 percent of the total. Cases referred by the deputy were more frequent at the higher stage and, in some States, constituted a majority of the decisions. Moreover, variations among the States were considerably greater than for lower appeal cases; in five States<sup>11</sup> all the higher cases originated with the workers.

<sup>11</sup> Maine, Rhode Island, Maryland, Utah, Wyoming. Each of these States had fewer than 25 cases.

## Result of Appeals

**Lower authorities.**—A decision may be considered a victory for a claimant if his own appeal is upheld or if an employer's appeal results in no modification of the worker's benefit rights. Claimants appearing before the lower appeal authorities won slightly less than half of all review cases disposed of during the last 6 months of 1941 (table 2). While claimants won 40-59 percent of all cases in 28 States, they were successful in all cases disposed of in only 1 State, and in 60-63 percent of all cases in 4 States. Claimants won 50 percent or more of the cases in only 20 of the 43 States in which 25 or more decisions were made on review cases by the lower authorities.

Only one-tenth of all the cases were appealed by employers; 58 percent of these cases resulted in determinations for the claimant while only 46 percent of the worker appeals were decided in favor of the claimant. These figures show no direct relation between outcome and the source of appeal. In fact, there was a general tendency for the worker to fare relatively better when the employer appealed. In slightly more than half the cases, the decision of the deputy was upheld regardless of whether the appellant was employer or employee.

Information on the outcome of cases in terms of the issue involved was available for the period July 1940-June 1941, but not for the latter half of 1941. A majority of the former decisions had been favorable to claimants in cases involving wage credits (87 percent), coverage (63 percent), and misconduct (65 percent). The other issues tended to be settled in favor of the employers, who won 73 percent of the seasonality cases, 61 percent of the voluntary leaving and claim and registration cases, and more than 50 percent of the cases involving suitable work, ability and availability, and labor disputes. However, the number of cases involved in the issues in which employers tended to be successful was only slightly greater than in the three issues on which the workers had won a majority of cases.

During the same period the source of appeal appeared to be positively related to outcome, so far as the distribution by issue was concerned. Both the relative number of appeals and decisions favoring claimants were highest for coverage and wage-credit cases. Misconduct cases, however, showed the highest percentage of employer ap-

peals, but provided the third highest percentage of employee victories. This divergence was probably due to the fact that employers had charged misconduct in cases where the facts did not bear out the charge, or where, in instances of reasonable doubt, the tribunal was lenient to the claimant because of the severe penalties. The remaining issues showed a correlation between the number of employee appeals and victories. In the latter half of 1941, the variations among the States appeared to be random.

*Higher authorities.*—The cases disposed of by the higher authorities were even less to the advantage of the claimant than lower review cases; only 42 percent were decided in favor of claimants (table 3). On the whole, the States in which workers were more successful in higher appeal cases had a low volume of such cases, but these States also had rather few appeals at the lower level, and, in several instances, they had large proportions of employee victories at both levels. The source of appeal may have an inverse relation to the outcome, since workers won only 27 percent of cases in which they were the appellants, but 73 percent of the cases appealed by employers. However, the significance of these percentages is limited by the fact that almost three-fifths of the appeals were made by workers.

A higher percentage (50) of all cases had been won by the claimants in the 1940-41 period, although such a percentage was reached in only 8 of the 23 States which disposed of more than 25 higher appeal cases. Missouri had the highest share, 75 percent, of employee victories. Coverage was the only issue on which the workers won a majority of the cases—slightly more than two-thirds. On each of the other questions the employers won 51-58 percent of all cases.

### Time Lapse

*Lower authorities.*—The promptness with which a decision is handed down is as important to the claimant as the outcome of his appeal, and it throws considerable light on the effectiveness of the State's administrative operations. About one-fifth of the 26,900 lower authority decisions<sup>12</sup> were handed down within a month of filing, while approximately the same proportion was decided in 31-45 days, in 46-60 days, and in 61-90 days

<sup>12</sup> Since both review and initial cases are included here, the total is larger than the one used in the previous section.

(table 6). Thus, about 80 percent of all lower cases were settled within 3 months; most of the remaining 20 percent took 3-6 months, but 4 percent of the cases took more than 6 months. On the whole, the States with the fewest appeals took the shortest time to make decisions; no State in which all cases were disposed of in less than 2 months had more than 75 lower appeal cases.

Percent of cases settled	Number of States			
	Less than 31 days	1-60 days	1-180 days	More than 180 days
0-25.....	21	3	0	0
26-50.....	10	7	0	0
51-75.....	6	8	1	0
76-100.....	6	25	42	43

However, of the eight highly populated States each of which disposed of more than 900 appeals cases, only Illinois and Texas settled more than 10 percent within a month; 49 percent of the Illinois and 42 percent of the Texas cases were disposed of in a month, and 80-90 percent were disposed of within 45 days. At the end of 60 days, Ohio, New Jersey, and New York had disposed of more than 50 percent of their cases, California 40 percent, Massachusetts 23 percent, and Pennsylvania only 9 percent. The density of population of a State apparently is a greater obstacle to speedy disposition of appeal cases than great distances and sparse settlement.

More than half of the cases in 13 States were disposed of within the first month after the appeals were made, but Pennsylvania still had nearly half of its cases pending after 180 days. The other States with more than 10 percent of their cases undecided at the end of 6 months were Oregon and West Virginia. Hawaii, New Hampshire, the District of Columbia, Rhode Island, and North Carolina disposed of 85 percent or more of all cases within the first month after the filing of appeals, but 18 other States decided less than 20 percent of their cases during this period; 15 of these 18 States had disposed of no more than 10 percent.

Although no State cleared its docket in less than a month, New Hampshire and the District of Columbia made all their decisions within 45 days. South Dakota and North Carolina completed all cases within 3 months. In contrast, 26 States had some appeal cases pending as late as 6 months after they had been filed.



**Higher authorities.**—The disposition of the 3,500 higher authority cases took longer, on the average, than the lower authority cases; 74 percent of the higher decisions were handed down within 90 days of filing and only 12 percent were disposed of in the first month (table 6). The higher authorities also had a larger proportion of cases delayed 3 months or more.

Only five States had more than 100 higher cases, and three of these—Pennsylvania, California, and

Illinois—had fewer than 200. All these States, with the exception of Illinois, were below the national average of 28 percent in the proportion of cases decided within 45 days of filing. California disposed of only 6 percent and New York 19 percent of their cases in 45 days, while New Jersey and Pennsylvania approached but did not attain the national average. Illinois completed 36 percent of its cases within 45 days and 69 percent within 2 months, in contrast to the national aver-

**Table 6.—Percent of cases disposed of by appeal authorities in specified number of days between date of filing and date of decision, by State, July–December 1941**

[Data reported by State agencies, corrected to Aug. 10, 1942]

State	Lower appeals authority							Higher appeals authority						
	Number of decisions	Percent of cases disposed of in—						Number of decisions	Percent of cases disposed of in—					
		Less than 31 days	45 days	60 days	90 days	180 days	More than 180 days		Less than 31 days	45 days	60 days	90 days	180 days	More than 180 days
Total.....	26,897	20.8	40.3	59.2	80.6	95.9	100.0	3,472	11.8	27.9	44.5	73.5	93.6	100.0
New York.....	8,331	10.0	30.4	53.6	82.9	98.3	100.0	912	1.1	19.3	47.7	72.7	94.3	100.0
Massachusetts <sup>1</sup> .....	1,786	.8	5.8	23.0	50.3	97.6	100.0							
Illinois.....	1,755	48.5	91.7	97.7	99.6	100.0		169	15.4	36.1	69.2	87.6	99.4	100.0
Ohio.....	1,435	.1	6.5	56.1	79.0	94.1	100.0	80	0			1.2	22.5	100.0
California.....	1,424	8.5	23.7	39.9	71.2	98.5	100.0	143	.7	5.6	9.8	33.6	91.6	100.0
Pennsylvania.....	1,270	.1	2.2	8.5	26.3	52.5	100.0	129	1.6	22.5	49.6	79.8	93.8	100.0
Texas.....	965	41.5	81.0	93.3	98.6	99.8	100.0	53	11.3	35.8	47.1	58.4	75.4	100.0
New Jersey.....	968	5.8	27.8	52.2	80.2	98.7	100.0	1,203	9.1	26.0	36.8	80.4	99.3	100.0
Michigan.....	721	.5	9.5	33.5	70.0	92.6	100.0	73	0	24.6	28.7	57.5	89.0	100.0
Minnesota.....	597	11.7	26.8	47.3	88.0	98.7	100.0	69	5.8	16.0	29.0	85.5	94.2	100.0
Kentucky.....	578	9.0	38.6	65.9	87.9	98.3	100.0	53	0	1.9	7.6	35.9	73.6	100.0
Connecticut <sup>1</sup> .....	566	61.7	79.4	87.9	94.4	98.1	100.0							
Iowa.....	513	22.0	44.2	67.6	89.6	99.4	100.0	36	50.0	77.8	94.4	97.2	100.0	
Missouri.....	489	45.4	73.4	91.2	98.0	99.4	100.0	54	7.4	16.7	27.8	44.5	81.5	100.0
Washington.....	489	10.8	24.1	41.3	72.2	99.0	100.0	57	73.7	82.5	98.3	100.0		
Maryland.....	447	72.2	96.4	98.2	99.1	100.0		<sup>1</sup> 16						
Indiana.....	421	67.7	89.1	94.8	98.1	100.0		<sup>1</sup> 23						
West Virginia.....	414	8.9	28.4	43.4	64.2	89.6	100.0	63	3.2	8.0	17.5	44.5	85.7	100.0
Rhode Island.....	335	95.8	98.5	98.8	99.7	100.0		<sup>1</sup> 13						
North Carolina.....	333	85.0	90.7	99.1	100.0			40	97.5	100.0				
Florida.....	247	8.9	29.5	56.2	83.7	96.3	100.0	<sup>1</sup> 11						
South Carolina.....	225	5.3	49.7	78.6	98.2	100.0		<sup>1</sup> 20						
Arkansas.....	199	8.0	19.1	39.7	62.8	93.5	100.0	<sup>1</sup> 16						
Tennessee.....	199	64.8	88.4	94.5	99.0	99.5	100.0	26	11.5	65.4	88.5	100.0		
Georgia.....	193	24.9	45.6	77.7	95.3	98.9	100.0	29	10.3	48.2	65.5	82.8	93.1	100.0
Alabama.....	186	41.9	70.8	87.6	98.9	100.0		<sup>1</sup> 10						
Wisconsin.....	173	50.3	80.1	90.7	98.8	100.0		46	95.7	95.7	95.7	100.0		
Maine.....	142	62.7	78.2	80.3	81.7	97.9	100.0	<sup>1</sup> 9						
Hawaii <sup>1</sup> .....	137	99.3	99.3	99.3	99.3	100.0								
Kansas.....	125	47.2	70.2	91.2	95.2	96.0	100.0	<sup>1</sup> 12						
Oklahoma.....	124	6.5	17.0	46.0	80.7	98.4	100.0	<sup>1</sup> 14						
North Dakota.....	113	80.5	87.6	92.9	97.3	100.0		<sup>1</sup> 6						
Louisiana.....	112	3.6	10.7	18.7	58.0	93.7	100.0	<sup>1</sup> 5						
Idaho.....	111	38.8	59.5	87.4	95.5	100.0		<sup>1</sup> 15						
Nebraska <sup>1</sup> .....	103	49.5	74.7	85.4	98.0	99.0	100.0							
Oregon.....	100	14.0	38.0	65.0	80.0	88.0	100.0	<sup>1</sup> 10						
District of Columbia.....	73	98.6	100.0					0	0	0	0	0	0	0
New Hampshire <sup>1</sup> .....	73	98.6	100.0											
Colorado.....	70	24.3	54.3	88.6	94.3	100.0		<sup>1</sup> 8						
Virginia.....	67	49.2	88.0	92.5	95.5	100.0		<sup>1</sup> 6						
Mississippi.....	65	9.2	49.2	72.3	90.8	100.0		<sup>1</sup> 8						
Arizona.....	53	56.6	96.2	98.1	98.1	100.0		<sup>1</sup> 2						
South Dakota.....	42	42.9	70.2	95.2	100.0			<sup>1</sup> 9						
Delaware.....	<sup>1</sup> 24							<sup>1</sup> 4						
Utah.....	<sup>1</sup> 20							<sup>1</sup> 12						
Vermont.....	<sup>1</sup> 20							0	0	0	0	0	0	0
New Mexico.....	<sup>1</sup> 16							0	0	0	0	0	0	0
Montana.....	<sup>1</sup> 12							<sup>1</sup> 6						
Wyoming.....	<sup>1</sup> 9							<sup>1</sup> 2						
Nevada.....	<sup>1</sup> 7							0	0	0	0	0	0	0
Alaska.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0

<sup>1</sup> Only 1 appeal authority in this State.

<sup>1</sup> Distribution not computed, because base is less than 25.

age of 45 percent. The experience of these States reinforces the earlier conclusion that States with the heaviest appeal load are slowest in disposing of cases. None of these five States, however, had

conspicuously high percentages of cases pending for more than 6 months. Ohio, on the other hand, had 78 percent of its 80 cases still undecided after 6 months.

## Railroad Unemployment Insurance\*

According to a preliminary report of the Interstate Commerce Commission, there was a net increase of 945 in employment on class I railroads in September. Reports of individual railroads indicate that at least 17,200 workers were discharged, had quit, or were laid off during the month. Notwithstanding these releases from employment, railroad workers filed 840 fewer claims for unemployment compensation in September than in August. Claims received in the regional offices of the Board in September totaled 11,600.

The effect of the widespread labor-market stringency on the railroad unemployment insurance claim load is illustrated by a comparison of the 1941 and 1942 August-September changes of employment on class I railroads in relation to claims filed for railroad unemployment insurance. While other factors also affect the claims load, the gross decreases<sup>1</sup> in employment and relative size of the general labor reserve are probably the most important factors. The gross decrease in employment between August and September 1941 was 11,000; the number of claims filed in Sep-

tember was 31,300. This year, the gross decrease was 17,200, but only 11,600 claims were filed.

A decline in claims received was noted in all regions except Cleveland and Atlanta, where the number rose somewhat. The New York region recorded the sharpest decline and accounted for three-fourths of the reduction for the entire country.

Claims processed in September numbered 12,700, including 1,190 which were adjudicated a second time. Most of the readjudicated claims had originally been denied because claimants failed to submit the required applications with the employment service.

*Applications received.*—Applications for certificate of benefit rights were filed by 1,865 unemployed railroad workers in September (table 1). The total number of applications received since the beginning of July, which reflects the number of different workers who were unemployed at some time during the current benefit year, was 11,500, or 58 percent less than in the same period of 1941. The sharpest reduction from the same month of last year took place in the Minneapolis region, where approximately only one-fifth as many persons applied for certificates. The smallest relative decline, 30 percent, occurred in the Atlanta region.

By the end of September, 11,100 applications

\*Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

<sup>1</sup> Individual railroads report the number employed in each of seven functional groups of employees. Gross decreases refer to decreases in each employee group of each railroad, disregarding increases in other groups of the same or other railroads.

**Table 1.—Railroad unemployment insurance: Applications for certificate of benefit rights received, claims received, and benefit payments certified, by specified period, 1941-43**

[Corrected through September 1942]

Period	1942-43				1941-42			
	Applica- tions <sup>1</sup>	Claims	Benefit payments <sup>1</sup>		Applica- tions <sup>1</sup>	Claims	Benefit payments <sup>1</sup>	
			Number	Amount			Number	Amount
July-September.....	11,544	35,107	26,796	\$571,343	27,624	92,774	74,225	\$1,516,345
September.....	1,865	11,566	9,265	204,345	4,316	31,338	27,857	611,509
Sept. 1-15.....	923	6,021	4,824	104,406	2,119	16,005	14,259	317,440
Sept. 16-30.....	942	5,545	4,441	99,939	2,197	15,333	13,598	294,069
Weekly averages:								
July.....	1,452	2,499	1,630	33,551	4,031	6,478	4,632	81,260
August.....	752	2,904	2,403	50,914	1,339	7,763	6,122	128,781
September.....	446	2,706	2,216	48,865	1,032	7,494	6,661	146,280

<sup>1</sup> For current benefit year only.

<sup>2</sup> Net figures, adjusted for underpayments and recovery of overpayments.

for certificate of benefit rights for the current benefit year were approved and 250 were denied. The remaining 150 were held pending final adjudication.

**Benefits certified.**—Benefits totaling \$204,000 were certified for payment in September. Approximately \$2,000 of this amount was for claims made in previous benefit years. Payments were made during September for 1,560 initial periods of unemployment in the current benefit year and for 7,680 claims for subsequent periods. Benefit payments in September numbered 1,000 less than in the previous month; the amount of benefits declined by \$13,200.

In September, workers received, on the average, \$15.25 for their first periods of unemployment—98 cents less than the average for August (table 2). The average payment for subsequent periods of unemployment during the month was \$23.36, just 66 cents less than that for August.

In general, payments for both initial and subsequent registration periods have been substantially higher for the 3 months of the current benefit year than for the same period last year. This change may be attributed to the fact that there were proportionately fewer workers with low base-period earnings on the unemployment insurance rolls this year, probably largely because of the relatively smaller number of unemployed maintenance-of-way and structures laborers. In the case of the average payment for initial periods of unemployment, another significant factor is the more continuous unemployment within registration periods this year.

**Benefit accounts.**—Almost 8,000 accounts were opened in the first quarter of the current benefit year; 1,590 were opened in September. Approximately 4,200 workers who were unemployed since July returned to work within a few days after applying for certificates of benefit rights, and did not open benefit accounts. Sixteen accounts, for previous benefit years, were exhausted during the month.

**Employment service.**—The employment service received 1,320 orders for 12,600 openings, 98 percent of which were with railroad employers. The number of openings in September were substantially lower than the level of the last few months, primarily because maintenance-of-way and structures work, for which most of the placements are usually made, is curtailed at this season of the year. Some 11,300 workers were, nevertheless, placed in jobs. These figures compare with 4,900 openings and 2,700 placements in September 1941.

The employment service has instituted procedures to help in stabilizing railroad employment. A concerted effort will be made to obtain the transfer of as many as possible of the maintenance-of-way personnel who had been laid off on their home roads to sections of the country where outdoor maintenance work can continue during the winter months. In addition, roads situated in the more temperate regions are being encouraged to continue maintenance-of-way and structures work at a high level instead of following the usual policy of laying off part of their employees for the fall and winter.

**Table 2.—Railroad unemployment insurance: Number of benefit certifications, average benefit, and average number of compensable days in benefit year 1942-43, by month, July-September 1942<sup>1</sup>**

[Corrected through September 1942]

Type of certification and period	All certifications				Certifications with 14 days of unemployment			Certifications with 8-13 days of unemployment				Certifications with 5-7 days of unemployment			
	Number	Average benefit payment	Average daily benefit	Average number of compensable days	Percent of all certifications	Average benefit payment	Average daily benefit	Percent of all certifications	Average benefit payment	Average daily benefit	Average number of compensable days	Percent of all certifications	Average benefit payment	Average daily benefit	Average number of compensable days
<b>Certifications for first registration period:<sup>1</sup></b>															
July.....	2,457	\$16.59	\$2.82	5.88	66.7	\$19.95	\$2.85	33.3	\$9.87	\$2.82	3.65	-----	-----	-----	-----
August.....	3,262	16.23	2.80	5.80	64.6	19.56	2.79	35.4	10.16	2.82	3.60	-----	-----	-----	-----
September.....	1,557	15.25	2.70	5.66	62.0	18.63	2.66	38.0	9.75	2.81	3.47	-----	-----	-----	-----
<b>Certifications for subsequent registration periods:<sup>1</sup></b>															
July.....	351	25.16	2.77	9.08	77.2	27.77	2.77	19.7	17.98	2.74	6.57	3.1	\$6.00	\$2.75	2.18
August.....	6,716	24.02	2.80	8.57	69.0	28.00	2.80	23.0	18.50	2.80	6.61	8.0	5.66	2.76	2.05
September.....	7,680	23.36	2.76	8.45	65.7	27.82	2.78	26.1	17.76	2.69	6.59	8.2	5.44	2.73	1.99

<sup>1</sup> Data based on 33.3-percent sample, except number of certifications and average benefit per certification.

<sup>1</sup> Benefits are payable for each day of unemployment in excess of 7 for first registration period and in excess of 4 for subsequent registration periods.



# OLD-AGE AND SURVIVORS INSURANCE

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE • ANALYSIS DIVISION

## Operations Under the Social Security Act

### Monthly Benefits in Force and Payments Certified, August 1942

About 16,800 monthly benefits were awarded during August, a decrease of more than 5,000 from the previous month (table 1). This decline, caused largely by interruption of adjudication and award processing operations during the decentralization of the Bureau of Old-Age and Survivors Insurance, was reflected in all types of benefits in about the same proportion. The decrease in awards was in turn responsible for the unusually slight increase in the number of benefits in force.

The average amounts of primary, wife's, and widow's current benefits in force and in current-payment status (table 2) increased slightly from July to August. The average amount of primary benefits in deferred-payment status declined for the second consecutive month.

Table 2.—Average amount of monthly benefits in force, by type of benefit and payment status, August 31, 1942<sup>1</sup>

[Corrected to Oct. 6, 1942]

Type of benefit	Total in force	Payment status			
		Current	Deferred	Conditional	
				Suspensions	Frozen benefits
Primary.....	\$22.88	\$22.94	\$21.38	\$21.51	\$26.47
Wife's.....	12.18	12.23	11.33	11.25	13.59
Child's.....	12.18	12.20	11.48	11.89	12.11
Widow's.....	20.19	20.17	23.73	21.65	21.61
Widow's current.....	19.53	19.55	18.33	19.54	19.07
Parent's.....	12.98	12.98	15.50	12.62	0

<sup>1</sup> See footnotes to table 1.

Monthly benefits amounting to \$10.4 million were certified for payment to 560,000 individuals during August (table 3). Primary beneficiaries constituted 45 percent of the group and received

Table 1.—Number and amount of monthly benefits in force<sup>1</sup> in each payment status<sup>2</sup> and actions effected during the month, by type of benefit, August 1942

[Current month's data corrected to Oct. 6, 1942]

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of July 31, 1942.....	613,743	\$11,158,901	284,733	\$6,508,398	79,977	\$973,115	161,035	\$1,961,091	23,029	\$465,101	62,373	\$1,217,403	2,596	\$33,093
Current-payment status.....	543,873	9,818,274	243,376	5,576,537	70,710	863,766	151,211	1,845,192	22,756	458,932	53,237	1,040,323	2,583	33,524
Deferred-payment status.....	3,624	70,235	2,511	54,621	491	5,069	289	3,266	120	2,861	209	3,765	4	53
Conditional-payment status.....	66,246	1,270,292	38,846	877,240	8,776	103,680	9,535	112,633	153	3,308	8,927	173,315	9	116
Suspensions <sup>3</sup> .....	51,238	942,951	30,068	645,822	6,537	73,409	8,037	94,482	88	1,922	6,499	127,200	9	116
Frozen benefits <sup>4</sup> .....	15,008	327,341	8,778	231,418	2,239	30,271	1,498	18,151	65	1,386	2,428	46,115	0	0
Actions during August 1942:														
Benefits awarded.....	16,752	303,827	6,353	151,837	2,112	26,828	5,113	63,097	958	19,128	2,128	41,840	88	1,097
Entitlements terminated <sup>5</sup> .....	4,066	71,045	1,243	29,145	604	7,409	1,388	18,137	61	1,181	753	14,964	17	209
Net adjustments <sup>6</sup> .....	-250	-2,634	-67	-1,349	-4	-79	-150	-915	1	43	-43	-412	4	78
In force as of Aug. 31, 1942.....	626,170	11,388,949	289,776	6,629,741	81,481	992,455	164,610	2,005,136	23,927	483,091	63,705	1,243,867	2,671	34,659
Current-payment status.....	552,762	9,985,877	246,913	5,664,604	71,892	879,291	153,591	1,873,857	23,659	477,086	54,051	1,056,575	2,656	34,464
Deferred-payment status.....	2,933	56,549	2,075	44,362	358	4,055	228	2,618	99	2,349	171	3,134	2	31
Conditional-payment status.....	70,475	1,346,523	40,788	920,775	9,231	109,109	10,791	128,661	169	3,656	9,483	184,158	13	164
Suspensions <sup>3</sup> .....	55,358	1,016,304	32,026	688,866	6,989	78,646	9,244	109,928	100	2,165	6,986	136,535	13	164
Frozen benefits <sup>4</sup> .....	15,117	330,219	8,762	231,909	2,242	30,463	1,547	18,733	69	1,491	2,497	47,623	0	0

<sup>1</sup> Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 6) and terminations (see footnote 5), cumulative from January 1940, when monthly benefits were first payable.

<sup>2</sup> Benefit in current-payment status is subject to no deduction from current month's benefit or only to deduction of fixed amount which is less than current month's benefit; benefit in deferred-payment status is subject to deduction of fixed amount which equals or exceeds current month's benefit; benefit in conditional-payment status is subject to deduction of entire benefit for current and each subsequent month for indefinite period.

<sup>3</sup> Represents benefits which have previously been in current or deferred-payment status.

<sup>4</sup> Represents benefits which have never been in current or deferred-payment status.

<sup>5</sup> Terminations may be for following reasons: primary benefit—beneficiary's

death; wife's benefit—beneficiary's death, death of husband, divorce, or entitlement of beneficiary to equal or larger primary benefit; child's benefit—beneficiary's death, marriage, adoption, or attainment of age 18; widow's benefit—beneficiary's death, remarriage, or entitlement to equal or larger primary benefit; widow's current benefit—beneficiary's death, remarriage, entitlement to widow's benefit or to equal or larger primary benefit, or termination of entitlement of last entitled child; parent's benefit—beneficiary's death, marriage, or entitlement to other equal or larger monthly benefit.

<sup>6</sup> Adjustments in amount of monthly benefit may result from entitlement of an additional beneficiary or termination of entitlement of an existing beneficiary when maximum provisions of sec. 203 (a) of the 1939 amendments are effective or from termination of entitlement of an existing beneficiary when minimum provision of sec. 203 (b) consequently becomes effective; adjustments in number or amount may also result from actions not otherwise classified.

**Table 3.—Monthly benefits and lump-sum death payments certified, by type of payment, August 1942 and cumulative, January–August 1942**

Type of payment	August 1942				Total amount certified January–August 1942
	Number of bene- ficiaries <sup>1</sup>	Amount certified	Percentage distribu- tion		
			Bene- fici- aries	Amount	
Monthly benefits <sup>2</sup> .....	559,884	\$10,442,125	100.0	100.0	\$77,490,065
Primary.....	250,270	5,849,712	44.7	56.0	43,791,439
Supplementary.....	82,906	1,023,470	14.8	9.8	7,667,041
Wife's.....	72,855	912,827	13.0	8.7	6,780,188
Child's.....	10,051	110,643	1.8	1.1	886,853
Survivor's.....	226,708	3,568,943	40.5	34.2	26,031,585
Widow's.....	23,676	508,772	4.2	4.9	3,438,514
Widow's current.....	55,077	1,142,849	9.8	10.9	8,536,278
Child's.....	145,290	1,879,344	26.0	18.0	13,782,845
Parent's.....	2,665	37,978	.5	.4	273,948
Lump-sum death payments.....	4,939	957,160	-----	-----	9,800,663
Under 1939 amendments <sup>3</sup> .....	6,800	950,311	-----	-----	9,741,213
Under 1935 act <sup>4</sup> .....	139	6,849	-----	-----	59,450

<sup>1</sup> Differs from number in current-payment status, which takes account of changes in status effective after certification.

<sup>2</sup> Distribution by type of benefit estimated. Estimates revised February 1942.

<sup>3</sup> Includes retroactive payments.

<sup>4</sup> Represents number of deceased workers on whose wages payments were based.

<sup>5</sup> Payable with respect to workers who died after Dec. 31, 1939, in cases in which no survivor could be entitled to monthly benefits for month in which worker died.

<sup>6</sup> Payable with respect to workers who died prior to Jan. 1, 1940.

56 percent of the payments certified. The next largest category, children of deceased wage earners, made up 26 percent of the group, and received 18 percent of the amount certified.

On the basis of preliminary data for September, it is estimated that \$10.9 million was certified for 577,000 monthly beneficiaries. Of the total amount, about \$6.1 million was certified for 256,000 primary beneficiaries, \$1.1 million for 85,000 supplementary beneficiaries, and \$3.8 million for 236,000 survivors. Approximately \$1.5 million was certified in lump-sum death payments based on the wage records of 10,800 deceased wage earners.

### **Employers, Employees, and Taxable Wages, Second Quarter 1942**

Estimated average taxable wages per employee reached a new peak of \$358 during the second quarter of 1942, 21 percent more than the corresponding average for the second quarter of 1941 and 5 percent above the average for the first quarter of 1942 (table 4). These increases are consistent with gains in average weekly earnings in manufacturing industries as reported by the Bureau of Labor Statistics.

Covered employment and taxable wages during the second quarter of 1942 reached the highest levels on record—36.8 million persons and \$13.2 billion. These estimates represent increases of 5 percent in employment and 28 percent in wages as compared with the totals for the corresponding quarter of last year.

The expansion in the number of employees and amount of taxable wages reflects the increasing momentum of the war program, especially the growth in Federal expenditures for war purposes from \$2.4 billion in the second quarter of 1941 to \$7.1 billion and \$10.6 billion in the first and second quarters of 1942, respectively.

**Table 4.—Number of employers and employees and amount of taxable wages included under the old-age and survivors insurance program, by specified period, 1937–42<sup>1</sup>**

[Corrected to Oct. 22, 1942]

Year and quarter	Number of employers reporting taxable wages <sup>2</sup> (in thousands)	Number of employees earning taxable wages		Amount of taxable wages <sup>3</sup>	
		On last day or in last pay roll of quarter <sup>4</sup> (in thousands)	Total during period <sup>4</sup> (in thousands)	Total (in millions)	Average per employee
1937 total	( <sup>5</sup> )		32,800	\$29,300	\$893
1938 total	( <sup>5</sup> )		31,200	26,200	840
January–March	1,740	23,000	25,100	6,447	257
April–June	1,783	23,000	25,200	6,523	259
July–September	1,813	23,800	25,900	6,505	251
October–December	1,833	23,600	26,500	6,725	254
1939 total	( <sup>5</sup> )		33,100	29,200	882
January–March	1,826	24,500	25,400	7,040	277
April–June	1,891	25,300	26,700	7,221	270
July–September	1,939	26,100	27,400	7,497	274
October–December	1,978	25,700	28,400	7,442	262
1940 total	( <sup>5</sup> )		35,200	32,900	935
January–March	1,968	26,300	27,400	8,070	295
April–June	2,044	27,400	28,400	8,125	286
July–September	2,079	28,800	30,000	8,129	271
October–December	2,095	29,400	31,500	8,576	272
1941 total	( <sup>5</sup> )		41,600	41,900	1,007
January–March	2,070	( <sup>7</sup> )	32,100	9,588	299
April–June	2,163	( <sup>7</sup> )	34,900	10,285	295
July–September	2,200	( <sup>7</sup> )	36,300	10,980	302
October–December	2,209	( <sup>7</sup> )	36,400	11,047	303
1942:					
January–March	2,186	( <sup>7</sup> )	36,100	12,300	341
April–June	2,214	( <sup>7</sup> )	36,800	13,190	358

<sup>1</sup> Data partly estimated and subject to revision.

<sup>2</sup> Number of employers corresponds to number of employer returns. A return may relate to more than 1 establishment if employer operates several separate establishments but reports for concern as a whole.

<sup>3</sup> Beginning with the first quarter of 1940, figures in this column represent employees on pay roll for last pay period of quarter; prior to 1940 they represent employees on last working day or last pay roll of quarter.

<sup>4</sup> Unadjusted for duplication arising from recording of wages of some employees under more than 1 account.

<sup>5</sup> Unadjusted for nontaxable wages erroneously reported, or for wages not counted in determining insurance benefit. Wages over \$3,000 a year paid to an employee by a single employer in 1937, 1938, and 1939 and by all employers beginning with 1940, are not taxable.

<sup>6</sup> Data not available.

<sup>7</sup> Rapidly changing conditions in the labor market have complicated the method of estimating number of workers in covered employment on last pay roll of the quarter. Therefore, revised estimates for 1941 and estimates for first and second quarters of 1942 will not be published until a later issue of the Bulletin.

## Operations Under the Railroad Retirement Act \*

**Prior-service program.**—The Railroad Retirement Board has made considerable progress in obtaining complete individual records of service and compensation prior to 1937, which, under certain conditions, are creditable toward an annuity under the Railroad Retirement Act.

The scope of the prior-service program may be gauged from the number of individual employee files set up since the program was inaugurated in October 1940. By the end of September 1942, this number had exceeded 1.2 million. Because many of the individuals worked for more than one employer—the average is 1.3 employers per employee—almost 1.6 million records will have to be submitted by employers before these cases can be adjudicated. Through September 1942, almost 1.3 million had been received. Of the \$9.0 million appropriated to reimburse employers for the cost of searching the necessary pay-roll records, more than \$7.2 million or 80 percent had been obligated by the end of September. Under the provisions of the congressional resolution setting aside the money for the program, the collection and verification of all prior-service records are to be completed not later than June 30, 1943.

The records in the Board's possession have made it easier to adjudicate many recent applications for employee annuities. It was formerly necessary in all cases involving prior service to request

the employer or employers to submit prior-service records. Now, however, if such records have already been submitted, only the last employers have to submit information concerning the most recent employment. In many cases, also, it is no longer necessary to delay the certification of a claim pending the verification of the date of the applicant's birth. The lack of adequate birth records in many parts of the country has been one of the most difficult factors in adjudicating claims, often entailing a considerable amount of correspondence. At the present time, the records for about half the cases in which the employer has submitted prior-service information contain satisfactory evidence of the applicant's birth date.

About a year ago, almost half of all employee annuities certified were based in whole or in part on records of service and compensation which had been transmitted to the Board under the program. By September, the proportion had increased to almost three-fourths. The records have already facilitated the certification of about 11,000 annuities. For new applications, completed prior-service forms were on file in more than 80 percent of the cases.

**Benefit payments.**—Benefit payments certified to the Treasury in September totaled \$10.7 million, a drop of 0.9 percent from the preceding month, but still 0.3 percent more than the average for the first 8 months of 1942 (table 1). From the beginning of retirement operations, payments amounting to \$589 million have been made for

\* Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

**Table 1.—Railroad retirement: Number and amount of annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of benefit, September 1942 <sup>1</sup>**

Period and administrative action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities <sup>2</sup>	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of Aug. 31, 1942.....	157,608	\$10,080,568	126,825	\$8,364,395	27,023	\$1,592,712	3,143	\$101,349	617	\$22,111
During September 1942:										
Initial certifications.....	1,505	97,272	1,401	93,707	0	0	33	983	71	2,634
Terminations by death (deduct).....	994	61,744	700	45,568	218	13,342	13	428	63	2,400
In force as of Sept. 30, 1942.....	158,064	10,114,481	127,467	8,410,556	26,811	1,579,794	3,161	101,793	625	22,363
Total payments (net).....		<sup>3</sup> 10,692,625		8,693,976		1,563,111		104,437		32,272

<sup>1</sup> For definitions of classes of benefits, see the Bulletin, September 1942, p. 25. Data for initial certifications are for period in which payment was first certified and not for that during which it began to accrue. Data for terminations by death are for period in which notice of death was received and not for period in which beneficiary died. In-force data represent certifications less terminations by death; they are adjusted for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payment). Certifications are reported on an accounting-month basis ended on

approximately the 20th, terminations are reported through the 10th, and total payments are on calendar-month basis. Cents omitted.

<sup>2</sup> In a few cases, payments are made to more than 1 survivor on account of death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; nearly all terminations are of latter type.

<sup>3</sup> Includes \$298,827 for lump-sum death benefits.



165,000 employee annuities, 48,600 pensions, 3,500 survivor annuities, 6,800 death-benefit annuities, and 59,100 lump-sum death benefits.

*Employee annuities.*—During September the Board received 1,428 applications for employee annuities, only slightly more than the average number received in earlier months this year, but 330 less than the average for the year 1941. Of those received in September, the fact that almost 80 percent were filed in the regional offices indicates the success of the Board's policy of allowing applicants to file claims with the field staff. This procedure makes it possible to give the applicant personal instruction concerning the evidence the Board requires in adjudicating claims.

Certifications in September numbered 1,401, as compared with an average of 1,209 for the first 8 months of 1942. The general trend in certifications has, however, been downward; in 1941 the monthly average was 1,622. Reported deaths of employee annuitants, which averaged 710 in 1941 and 771 in 1942 through August, fell to 700 in September. The rise in certifications and the decline in deaths resulted in a larger increase than usual in the number of annuities in force. From January through August, the number in force increased at an average monthly rate of 416, while in September the net number of annuitants added to the rolls was 642; in 1941 the average monthly increase in the number in force was 899.

*Pensions.*—No new pensioners were added to the rolls in September, and the 218 reported deaths reduced the number on the rolls to 26,800. This number represents 55 percent of the total transferred from the pension rolls of private employers since July 1, 1937.

*Survivor payments.*—Certifications of survivor and death-benefit annuities have always constituted a small portion of the total volume of certifications; only 33 of the former and 71 of the latter were certified during September. Terminations totaled 13 and 63, respectively, bringing the number of survivor annuities in force at the end of the month to 3,161 and the number of death-benefit annuities to 625.

New certifications of lump-sum death benefits during September totaled 1,129. This number corresponded to the monthly average established since the beginning of 1941, although the number has fluctuated widely—from about 850 to 1,650—in individual months. The average payment in-

creased continuously during this period, rising from \$245.89 for 1941 to \$305.12 for the first 8 months of the current year. For certifications in September, the average benefit was \$312.78.

### *Military Service and Other Amendments*

Current and future military service, as well as past service, rendered by railroad men is now creditable toward benefits payable under the Railroad Retirement Acts. Legislation enacted October 8, 1940,<sup>1</sup> had provided that military service rendered prior to January 1, 1937, should be counted in determining rights of railroad employees to annuities. The amendment to the Railroad Retirement Act approved April 8, 1942,<sup>2</sup> broadens this provision to include military service in the present emergency and in future periods of war or national emergency. The amendment is retroactive to October 8, 1940, in its coverage.

The other amendments approved on April 8 introduce certain changes found desirable as a result of experience in administering the retirement and unemployment insurance acts. These include the manner of establishing incompetency of beneficiaries and paying death benefits, and they extend coverage to certain additional railway labor organization employees.

*Military service defined.*—Both voluntary and involuntary service rendered in a period of war or national emergency may be creditable. To be entitled to credit, an individual must have rendered service under the Railroad Retirement Acts or lost time as an "employee," for which he received remuneration, before entering military duty in a war-service period. The service must have been rendered in the same year in which the military service began or in the calendar year immediately preceding. The present emergency period is considered to have begun on September 8, 1939, the day on which the President proclaimed the existence of a period of national emergency.

Not only is military service included in an employee's years of service for purposes of determining eligibility for an annuity, but it is also considered in computing death benefits payable under the Railroad Retirement Act of 1937. In fixing the amount of death benefit due, an individual's account is credited with \$160 in compensation for each month of military service after

<sup>1</sup> Public, No. 801, 76th Cong., title VI, pt. II.

<sup>2</sup> Public, No. 520, 77th Cong.

December 31, 1936. In computing an annuity, however, these monthly amounts are not included in the determination of average monthly compensation, since only railroad earnings may be counted.

*Financing military-service credit.*—The additional cost to the retirement program is to be met by special congressional appropriations based on Board estimates. The amount by which an annuity is increased by counting military service performed prior to 1937 is determined by computing the difference, on an actuarial basis, between the value of the annuity awarded and the value of the annuity which would have been awarded if military service had not been included. For service after 1936, the appropriation is to equal the additional income and excise taxes which would have been payable if the employee, in addition to compensation actually earned, had earned \$160 per month in the railroad industry.

*Incompetency.*—The new provision with respect to incompetency directs the Board to presume that the beneficiary is competent until the contrary is definitely established in a specified manner. The Board now holds that an individual receiving or applying for benefits is competent until a certified copy of a court order or a certificate of a court clerk showing guardianship appointment has been received. Previously, allegations of incompetence had been sent to the Board in large numbers, and it was necessary to determine whether they constituted a basis for withholding payments. In a great majority of cases, investigations showed that the allegations were groundless. The incompetency provisions, which also apply to minors, are retroactive to August 29, 1935.

*Death benefits.*—The new provisions operate to simplify and speed up payment of lump-sum death benefits in cases in which no proper designation of beneficiary has been made or in which no designee is alive when the benefit falls due.

Under the 1937 act, death benefits not payable according to designation were distributed according to the law of the State in which the deceased employee was domiciled. Now, if there is no designee at the time death benefits are due, the

spouse, child, parent, brother or sister, or grandchild, as determined by the Board and in the order named, will be granted the death benefit. If two or more persons in a specified class survive, the benefit will be divided equally among them. If no members of the family are alive, the Board may pay other persons to the extent and in the proportion that they bore the expenses of the deceased employee's last illness or funeral, or both, in amounts and upon such conditions as the Board considers equitable. In no instance may this sum be larger than the death benefit.

Claims for death benefits must be filed within 2 years after the date on which they become due. So that benefits falling due more than 2 years before the amendment will not be forfeited, the law provides that benefits due before April 8, 1942, will be considered due as of that date. With this exception, the death-benefit provisions are made retroactive to June 24, 1937.

*Labor-organization service.*—The amendment dealing with coverage of railway labor organization employees provides that service for a local lodge, division, or general committee is creditable no matter where rendered, if substantially all members of the organization work for an employer who conducts most of his business in the United States, or if the organization headquarters are in the United States. Generally, remuneration for service to a general committee representing employees of an employer not conducting the principal part of its business in the United States, performed by an individual whose headquarters are outside the United States, is creditable only in the proportion which the mileage in the United States under the committee's jurisdiction bears to the total mileage under its jurisdiction.

The Railroad Unemployment Insurance Act and the pertinent tax laws have also been amended correspondingly. The amendments to these laws are made effective as of the enactment dates of the laws, and no interest or penalties will accrue for failure to file tax returns or pay taxes by reason of the amendments.

The purposes of these amendments were endorsed wholeheartedly by railway management and railway labor alike.

# SOCIAL AND ECONOMIC DATA

BUREAU OF RESEARCH AND STATISTICS

## Social Security and Other Income Payments to Individuals

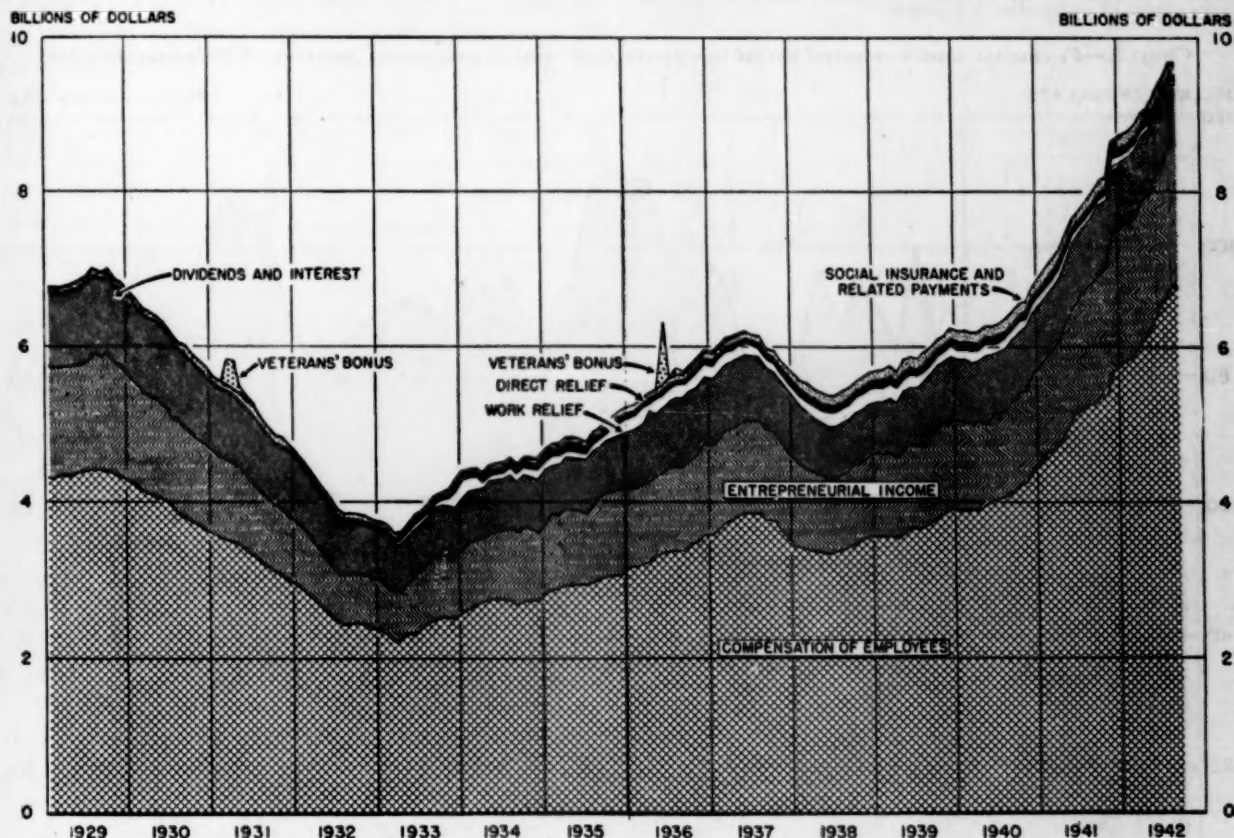
Income payments to individuals in September amounted to \$9.7 billion, less than 1 percent above the August figure but 21 percent above payments in September 1941 (table 1). While income payments were considerably larger than a year ago, the increase in consumer purchasing power has been offset in part by higher living costs. Since the General Maximum Price Regulation was issued in May, advances in the prices of items controlled by these regulations have been checked, but the items exempt from the regulations, particularly farm products, have continued to increase. However, before the price regulations were issued, significant increases in the cost of living had occurred. Thus, while income payments have

increased 21 percent as compared with a year ago, the cost of living has increased about 9 percent.

To relieve further pressure on prices, the President in September requested Congress to amend the Emergency Price Control Act of 1942 so that the prices of farm products could be stabilized. Congress amended the act and directed the President to issue an order to stabilize all prices, wages, and salaries, which was done by Executive Order on October 3. It is expected that the control of prices will be greatly strengthened by these steps.

Compensation of employees in September amounted to \$6.8 billion, an increase of 1.4 percent over August and 28.9 percent over September

Chart 1.—Income payments in the continental United States, January 1929–September 1942





**Table 1.—Income payments in the continental United States, by specified period, 1936–42**

[In millions; data corrected to Nov. 5, 1942]

Calendar year and month <sup>1</sup>	Total	Compensation of employees <sup>2</sup>	Entrepreneurial income, net rents, and royalties	Dividends and interest	Work relief <sup>4</sup>	Direct relief <sup>5</sup>	Social insurance and related payments <sup>6</sup>	Veterans' bonus
1936.....	\$68,024	\$40,027	\$13,003	\$9,785	\$2,155	\$672	\$955	\$1,427
1937.....	72,365	44,689	14,162	9,891	1,639	836	1,020	128
1938.....	66,135	40,845	12,369	8,233	2,094	1,008	1,529	57
1939.....	70,809	43,981	13,346	8,891	1,870	1,071	1,616	34
1940.....	76,404	48,639	13,840	9,421	1,577	1,098	1,801	28
1941.....	92,122	60,782	17,352	9,910	1,213	1,112	1,734	19
September..... 1941	7,994	5,265	1,579	841	79	89	140	1
October.....	8,130	5,363	1,606	851	80	89	140	1
November.....	8,196	5,405	1,617	863	79	90	140	2
December.....	8,666	5,678	1,781	879	87	92	148	1
January..... 1942	8,746	5,758	1,784	870	77	94	162	1
February.....	8,815	5,862	1,762	861	72	95	162	1
March.....	8,846	5,906	1,753	851	75	94	166	1
April.....	9,011	6,037	1,811	841	68	92	161	1
May.....	9,064	6,156	1,775	830	58	89	155	1
June.....	9,277	6,384	1,777	819	53	87	156	1
July.....	9,436	6,558	1,778	807	45	86	161	1
August.....	9,599	6,690	1,837	794	35	86	156	1
September.....	9,679	6,787	1,845	780	30	85	151	1

<sup>1</sup> Compensation of employees, entrepreneurial income, net rents, and royalties, and dividends and interest adjusted for seasonal variation.

<sup>2</sup> For annual and monthly figures 1929–40, see the Bulletin, August 1941, table 1, pp. 74–76.

<sup>3</sup> Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions and payments to members of the armed forces.

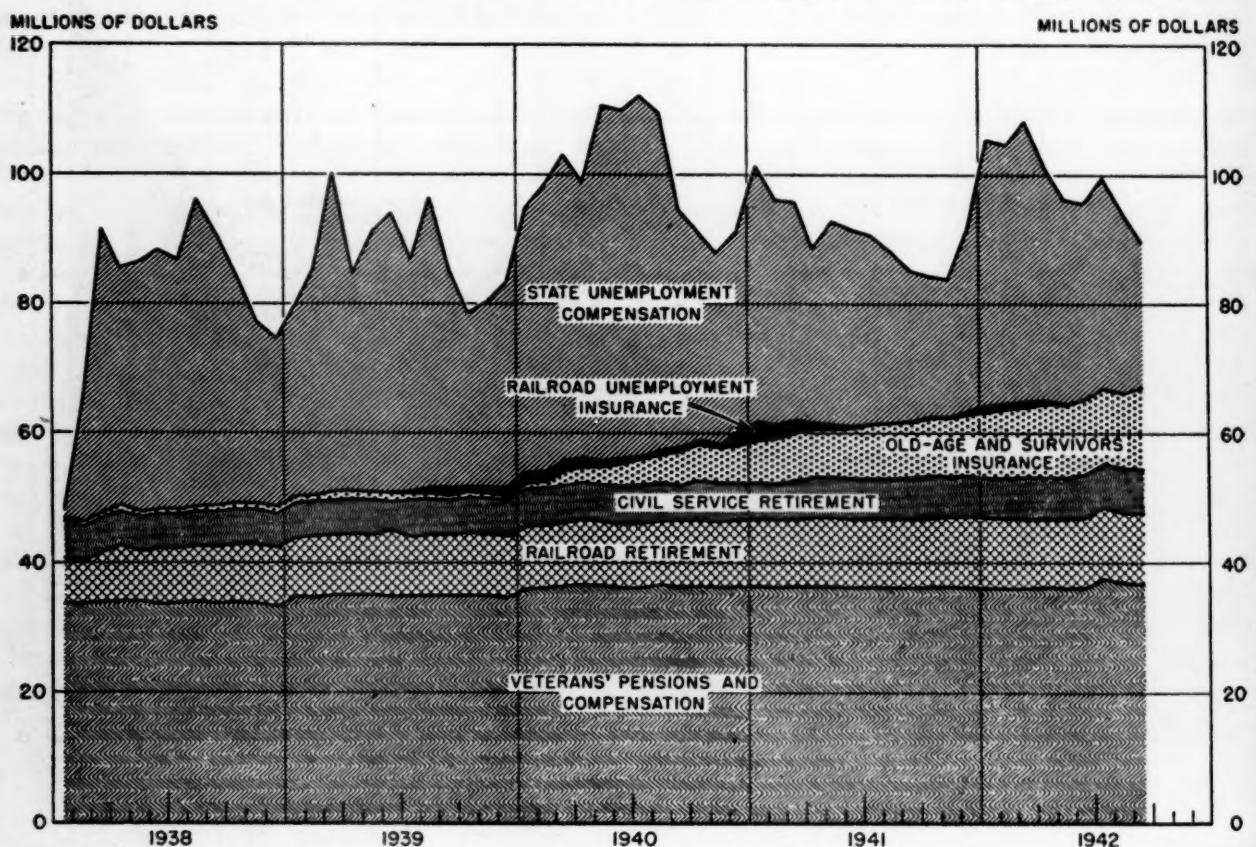
<sup>4</sup> Earnings of persons employed by the NYA, WPA, and CCC (through August 1942). Excludes earnings of persons employed on other Federal agency projects financed from emergency funds; such earnings are included in the column "Compensation of employees."

<sup>5</sup> Payments to recipients under the 3 special public assistance programs and general assistance, the value of food stamps issued by the Agricultural Marketing Administration under the food stamp plan, and subsistence payments certified by the Farm Security Administration.

<sup>6</sup> Represents payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions, workmen's compensation, State unemployment compensation, and railroad unemployment insurance.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

**Chart 2.—Payments under selected social insurance and related programs, January 1938–September 1942**



ber 1941. While the increase was due in part to expansion in employment, it also reflects increased wage rates and hours of work.

The only other type of income payments which was larger in September than in August was entrepreneurial income, net rents, and royalties, which increased 0.4 percent. Dividends and interest decreased 1.8 percent, work relief 14.3 percent, and direct relief 1.2 percent; all these types of payment were below levels of a year ago. Social insurance and related payments were 3.2 percent below the August level but 7.9 percent above September 1941.

### Estimated Pay Rolls in Covered Employment

Total wages and salaries in the second quarter of 1942 amounted to \$19.1 billion, 30 percent more than in the second quarter of 1941 (table 2). The increase was due to more employment, higher wage rates, and longer working hours. Although a large number of persons entered military service, the labor force in the second quarter of 1942 was at approximately the same level as in the second quarter of 1941, an indication that additions to the labor force have offset withdrawals for military service.

Pay rolls covered by the two retirement programs shown in the table increased 28.8 percent over the second quarter of 1941 and accounted for more than three-fourths of all wages and salaries. Wages paid in employment under the railroad retirement program were 29.3 percent above the 1941 second-quarter level, while those paid in employment under the old-age and survivors insurance program increased 28.8 percent. Inasmuch as wages paid in employment under these programs increased less than total wages and salaries, they represented a slightly lower proportion of all wages and salaries in the second quarter of 1942 than in the same period of 1941—77.4 percent as compared with 78.0 percent. The decrease is explained by the proportionately greater increase in wages and salaries earned in noncovered employment, which includes military service and government employment.

The unemployment insurance programs cover most of the workers covered by the retirement programs, and, consequently, changes in pay rolls under the former programs were much the same as those for the retirement programs. Wages paid in employment covered by the State unemploy-

ment compensation laws in the second quarter of 1942 increased 29 percent over the second quarter of 1941 and accounted for 66.4 percent of all wages as compared with 67.0 percent in the same quarter last year. The railroad unemployment insurance program covers all employment covered by the

Table 2.—Estimated pay rolls in employment covered by selected social insurance and retirement programs in relation to all wages and salaries, by specified period, 1937-42<sup>1</sup>

Period	All wages and salaries <sup>1</sup>	Pay rolls covered by retirement programs <sup>2</sup>		Pay rolls covered by unemployment insurance programs <sup>3</sup>		
		Old-age and survivors insurance <sup>4</sup>	Railroad retirement	State unemployment compensation <sup>5</sup>	Railroad unemployment insurance <sup>6</sup>	
Amount (in millions)						
Calendar year:						
1937.....	\$45,053	\$32,391	\$2,265	(7)	\$2,265	
1938.....	41,247	28,673	2,010	26,200	2,010	
1939.....	44,452	31,493	2,149	29,069	2,149	
1940.....	49,144	35,660	2,268	32,442	2,268	
1941.....	61,420	45,710	2,683	41,506	2,683	
1941						
Jan.-Mar.....	13,220	9,709	584	8,811	584	
Apr.-June.....	14,707	10,834	632	9,853	632	
July-Sept.....	15,689	11,809	683	10,677	683	
Oct.-Dec.....	17,804	13,358	784	12,165	784	
1942						
Jan.-Mar.....	17,050	12,518	762	11,520	762	
Apr.-June.....	19,100	13,955	817	12,673	817	
Percent of all wages and salaries						
Calendar year:						
1937.....	100.0	71.9	5.0	(7)	5.0	
1938.....	100.0	69.5	4.9	63.5	4.9	
1939.....	100.0	70.8	4.8	65.4	4.8	
1940.....	100.0	72.6	4.6	66.0	4.6	
1941.....	100.0	74.5	4.4	67.7	4.4	
1941						
Jan.-Mar.....	100.0	73.4	4.4	66.6	4.4	
Apr.-June.....	100.0	73.7	4.3	67.0	4.3	
July-Sept.....	100.0	75.3	4.4	68.1	4.4	
Oct.-Dec.....	100.0	75.0	4.4	68.3	4.4	
1942						
Jan.-Mar.....	100.0	73.4	4.5	67.6	4.5	
Apr.-June.....	100.0	73.1	4.3	66.4	4.3	

<sup>1</sup> For annual data for 1937-41 on pay rolls covered by civil-service, State and local government and public education retirement systems, see the Bulletin, August 1942, p. 65.

<sup>2</sup> Data furnished by the U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce. Figures by quarters have been adjusted to correct for distribution of bonus payments; estimates for quarters of 1942 are preliminary. Represents estimated wages and salaries paid in cash and in kind in continental United States and, in addition, Army and Navy pay rolls in all other areas. Includes employee contributions to social insurance and retirement programs. Because estimates of all wages and salaries are built up by industry groups, amount in covered and noncovered employment cannot be determined precisely. While the estimated amount in covered employment included within this total differs from pay rolls in covered employment as given in this table, the difference is so small that it does not invalidate relationship of covered pay rolls to total. Commerce estimates relate to calendar quarters; estimates for pay rolls covered by old-age and survivors insurance, railroad retirement, and unemployment compensation relate to pay periods ended in calendar quarters.

<sup>3</sup> Includes data for Alaska and Hawaii.

<sup>4</sup> Represents taxable wages plus estimated nontaxable wages in excess of \$3,000 earned in employment covered by program. Series revised.

<sup>5</sup> Represents taxable wages plus nontaxable wages earned in employment covered by program; excludes, however, earnings of railroad workers covered by State laws through June 1939. Data for 1941 estimated.

<sup>6</sup> Estimated for 1937-June 1939 when railroad workers were covered by State unemployment compensation laws.

<sup>7</sup> Not available.

railroad retirement program, and wages paid in employment under these programs increased only slightly as a proportion of all wages and salaries.

### Social Insurance and Related Payments

Payments under the selected social insurance programs shown in table 3 amounted to \$89.7 million, a decrease of 5.2 percent from August but an increase of 5.3 percent over the September 1941 level. Payments to veterans and their survivors have been added to the series of payments previously shown in table 3, and the number of veterans and survivors receiving payments have been added to table 4. The addition of payments under the veterans' program increases from 40 to 60 percent the proportion of all social insurance and related payments included in the series. Pay-

ments under the Federal noncontributory and the State and local retirement systems and under the workmen's compensation programs are the only social insurance payments for which monthly data on a comparable basis are not available.

Retirement, disability, and survivor payments increased 1.3 percent over August and amounted to \$66.6 million, while unemployment insurance payments of \$22.6 million were 20.6 percent below August figures. Compared with a year ago, retirement, disability, and survivor payments were 8.9 percent larger, while unemployment insurance payments decreased 4.0 percent.

Monthly retirement payments under the old-age and survivors insurance program amounting to \$7.1 million were made to 341,000 beneficiaries (preliminary). Both payments and the number

Table 3.—Payments under selected social insurance and related programs, by specified period, 1936-42<sup>1</sup>

[In thousands; data corrected to Oct. 30, 1942]

Calendar year and month	Total	Retirement, disability, and survivor payments											Re-funds under the Civil Service Commission to employees leaving service <sup>3</sup>	Unemployment insurance payments			
		Total	Monthly retirement and disability payments <sup>2</sup>				Survivor payments							Total	State unemployment compensation laws <sup>11</sup>	Railroad Unemployment Insurance Act	
			Social Security Act <sup>1</sup>	Railroad Retirement Act <sup>4</sup>	Civil Service Commission <sup>5</sup>	Veterans Administration <sup>6</sup>	Monthly			Lump-sum							
							Social Security Act <sup>7</sup>	Railroad Retirement Act <sup>4</sup>	Veterans Administration <sup>6</sup>	Social Security Act <sup>8</sup>	Railroad Retirement Act <sup>4</sup>	Civil Service Commission <sup>5</sup>					Veterans Administration <sup>10</sup>
1936	\$461,760	\$458,765		\$683	\$51,630	\$299,001		\$2	\$99,992			\$4,062	\$3,395	\$2,864	\$131	\$131	
1937	505,143	499,532		40,001	23,694	299,660		444	96,370	\$1,278		4,401	3,684	3,479	2,132	2,132	
1938	972,926	575,814		96,766	36,118	301,277		1,383	101,492	10,478	\$291	4,604	3,405	3,326	393,786	393,786	
1939	1,046,005	608,094		107,282	38,331	307,512		1,451	109,192	13,895	1,926	4,952	3,553	2,846	435,065	429,298	\$5,767
1940	1,191,906	654,040	\$21,075	114,166	62,019	317,851	\$7,784	1,448	105,696	11,734	2,497	5,810	3,960	3,277	534,589	518,700	15,889
1941	1,090,102	726,631	55,141	119,913	64,933	320,561	25,454	1,559	111,799	13,328	3,421	6,170	4,352	4,615	358,856	344,321	14,535
1942																	
Sept.	85,138	61,129	5,024	10,081	5,452	26,633	2,375	132	9,267	986	251	605	323	455	23,554	22,942	612
Oct.	84,382	61,837	5,235	10,114	5,462	26,776	2,408	134	9,313	1,100	303	544	358	484	22,061	21,430	631
Nov.	84,056	61,892	5,383	10,199	5,516	26,705	2,579	129	9,350	1,029	256	460	286	489	21,675	21,066	609
Dec.	91,749	62,516	5,611	10,189	5,519	26,750	2,736	134	9,245	1,131	362	502	337	460	28,773	27,847	926
1942																	
Jan.	105,607	62,670	5,811	10,102	5,557	26,710	2,827	128	9,233	1,267	258	424	353	484	42,453	41,056	1,397
Feb.	104,775	62,941	6,074	10,161	5,549	26,699	2,997	133	9,155	1,291	301	274	337	622	41,212	39,884	1,328
Mar.	108,187	63,436	6,243	10,223	5,532	26,661	3,109	127	9,173	1,185	306	509	368	465	44,286	43,035	1,251
Apr.	101,431	63,952	6,430	10,198	5,572	26,681	3,240	128	9,211	1,397	238	497	360	468	37,011	36,311	700
May	96,280	63,743	6,544	10,068	5,594	26,646	3,312	125	9,182	1,239	256	402	375	514	32,023	31,704	319
June	95,580	64,581	6,660	10,210	5,637	26,658	3,431	141	9,212	1,278	449	547	358	547	30,452	30,226	226
July	99,608	66,278	6,824	10,288	5,677	28,027	3,545	140	9,233	1,186	514	503	341	551	32,779	32,625	154
Aug.	94,626	65,706	6,873	10,262	5,743	27,491	3,569	139	9,256	957	389	690	337	445	28,475	28,252	223
Sept.	89,689	66,552	117,141	10,257	5,772	27,473	3,805	137	9,169	1,529	299	612	358	536	22,601	22,395	205

<sup>1</sup> Data represent payments to individuals and exclude cost of administration. Retirement and survivor payments under Social Security and Railroad Retirement Acts (including retroactive payments) are amounts certified to the Secretary of the Treasury for payment; payments under Railroad Unemployment Insurance Act are amounts certified to the disbursing officers of the Treasury; payments under the Civil Service Commission and Veterans Administration are disbursements minus cancellations; State unemployment insurance payments are checks issued by State agencies.

<sup>2</sup> Old-age retirement benefits under all acts and disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts.

<sup>3</sup> Primary benefits, wife's benefits, and benefits to children of primary beneficiaries. Partly estimated.

<sup>4</sup> Amounts certified, minus cancellations, during month ended on 20th calendar day through November 1941; December 1941 represents period Nov. 21-Dec. 31; subsequent months are calendar months. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

<sup>5</sup> Principally payments from civil-service retirement and disability fund

but includes also payments from Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administered by the Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors and payments under joint and survivor elections. Data for years 1936-39 estimated on basis of data for fiscal years.

<sup>6</sup> Payments to veterans for pensions and compensation.

<sup>7</sup> Widow's benefits, widow's current benefits, parent's benefits, and orphan's benefits. Partly estimated.

<sup>8</sup> Payments to survivors of deceased veterans.

<sup>9</sup> Payments at age 65 for 1937-August 1939, payments with respect to deaths of covered workers prior to Jan. 1, 1940, for entire period, and, beginning January 1940, payments with respect to deaths of covered workers after Dec. 31, 1939. Payments at age 65 totaling \$651,000 in 1937, \$4.7 million in 1938, and \$4.6 million in 1939 are not survivor payments.

<sup>10</sup> Payments for burial expenses of deceased veterans.

<sup>11</sup> Reported by State agencies to the Bureau of Employment Security. Annual figures adjusted for voided benefit checks; monthly figures unadjusted.

<sup>12</sup> Preliminary estimate.



of beneficiaries were considerably above levels of a year ago, payments by 42 percent and beneficiaries by 40 percent. Retirement payments and the number of beneficiaries under the civil-service and the railroad retirement programs were less than 6 percent above levels of September 1941. Pensions and compensation paid under the veterans' program, amounting to \$27.5 million, were 3.2 percent larger in September of this year, while the number of veterans receiving payments increased by 0.4 percent to 623,000.

Monthly payments made to survivors under the old-age and survivors insurance program amounted to \$3.8 million, an increase of 60 percent over the same month last year, while the number of beneficiaries increased 61 percent. There was only a slight increase in payments to survivors under the railroad retirement program, while payments to survivors of veterans decreased 1.1 percent.

Lump-sum payments under all programs were

larger than a year ago, ranging from a 1.2-percent increase under the civil-service program to 55 percent under the old-age and survivors insurance program.

Unemployment compensation payments under the State laws amounted to \$22.4 million in September, 20.7 percent less than in August. The decrease in payments was widespread; in only 3 of the 51 States were payments larger than in August, and in these States the increases were less than 5 percent. Liberalization of the laws and larger individual benefits as compared with last year caused payments to decline relatively less than the number of individuals receiving payments. The number of beneficiaries decreased 14.3 percent as compared with September 1941, while payments decreased only 2.4 percent. Payments of \$206,000 were made under the railroad unemployment insurance program, 66 percent less than payments of a year ago.

Table 4.—Individuals receiving payments under selected social insurance and related programs, by month, September 1941–September 1942

[In thousands; data corrected to Oct. 30, 1942]

Year and month	Retirement, disability, and survivor beneficiaries											Separated employees receiving refunds under the Civil Service Commission <sup>5</sup>	Unemployment insurance beneficiaries	
	Monthly retirement and disability beneficiaries				Survivor beneficiaries								State unemployment compensation laws <sup>10</sup>	Railroad Unemployment Insurance Act <sup>11</sup>
					Monthly			Lump-sum <sup>6</sup>						
	Social Security Act <sup>1</sup>	Railroad Retirement Act <sup>2</sup>	Civil Service Commission <sup>3</sup>	Veterans Administration <sup>4</sup>	Social Security Act <sup>1</sup>	Railroad Retirement Act <sup>2</sup>	Veterans Administration <sup>7</sup>	Social Security Act	Railroad Retirement Act	Civil Service Commission	Veterans Administration			
1941														
September.....	244.0	151.3	67.5	620.7	146.4	3.6	318.0	7.2	1.0	.7	3.3	3.0	493.4	13.2
October.....	253.4	151.8	67.8	621.5	154.0	3.6	318.2	8.0	1.1	.6	3.5	3.4	430.0	12.9
November.....	261.3	152.5	68.4	621.6	160.4	3.6	318.6	7.5	1.0	.5	3.0	4.3	470.6	13.4
December.....	271.5	152.9	68.6	622.7	168.5	3.6	318.5	8.2	1.2	.5	3.2	3.5	523.0	22.4
1942														
January.....	282.5	152.8	69.3	622.3	176.1	3.6	317.9	9.1	.9	.5	3.5	4.1	796.6	35.1
February.....	292.9	153.3	69.1	622.5	185.2	3.6	315.4	9.3	1.0	.3	3.3	4.2	837.6	33.6
March.....	301.5	153.5	69.2	622.8	192.3	3.6	315.5	8.6	1.0	.6	3.8	4.2	803.1	29.2
April.....	310.6	153.8	69.3	622.7	200.8	3.6	315.7	10.1	1.0	.6	3.7	4.3	668.3	16.9
May.....	316.8	153.4	69.7	622.9	207.9	3.6	316.6	9.0	.8	.5	3.5	4.9	609.7	7.2
June.....	322.3	153.3	70.0	623.0	215.3	3.6	316.8	9.2	1.4	.6	3.5	5.1	552.7	4.7
July.....	328.7	153.8	70.4	623.1	222.5	3.7	317.6	8.5	1.3	.5	3.6	5.5	574.9	3.3
August.....	333.2	153.8	70.9	623.5	226.7	3.8	318.5	6.9	1.3	.8	3.3	4.8	543.0	4.6
September.....	<sup>12</sup> 341.2	154.3	71.4	623.1	<sup>13</sup> 236.1	3.8	315.5	<sup>12</sup> 10.8	1.1	.7	3.5	6.3	422.7	4.3

<sup>1</sup> Primary beneficiaries and their wives and children, for whom monthly benefits were certified to the Secretary of the Treasury during month.

<sup>2</sup> Employee annuitants and pensioners on roll as of 20th of month; includes disability annuitants.

<sup>3</sup> Annuitants under Civil Service, Canal Zone, and Alaska Railroad Retirement Acts; represents age and disability retirements, voluntary and involuntary retirements. Includes persons receiving survivor benefits under joint and survivor elections, numbering 62 in September 1942. Figures not adjusted for suspension of annuities of persons reemployed under the National Defense Act of June 28, 1940, or act of Jan. 24, 1942, numbering 901 in September 1942.

<sup>4</sup> Veterans receiving pensions and compensation during month.

<sup>5</sup> Widows, parents, and orphans for whom monthly benefits were certified to the Secretary of the Treasury during month.

<sup>6</sup> Widows receiving survivor benefits under joint and survivor elections and next of kin receiving death-benefit annuities for 12 months; number on roll as of 20th of month. Widows receiving both survivor and death-benefit

annuities are counted twice, but 2 or more individuals sharing 1 death benefit annuity are counted as 1.

<sup>7</sup> Widows, children, and parents of deceased veterans on whose account payments were made during month.

<sup>8</sup> For Social Security Act, deceased wage earners whose survivors received payments under either the 1935 or 1939 act; for Railroad Retirement Act, deceased wage earners on whose account payments to survivors were certified in month ending on 20th calendar day; for Civil Service Commission, employees who died before retirement age and annuitants with unexpended balances whose survivors received payments; for Veterans Administration, survivor or other persons entitled to reimbursement for expenditures in connection with burial of deceased veterans.

<sup>9</sup> See footnote 3 for programs covered.

<sup>10</sup> Represents average weekly number of benefit recipients.

<sup>11</sup> Represents average number of persons receiving benefits for unemployment during a registration period of 14 consecutive days.

<sup>12</sup> Preliminary estimate.

Approximately 1.7 million individuals received monthly benefits amounting to \$63.8 million and 16,100 received lump-sum payments amounting to \$2.8 million under the retirement, disability,

and survivor programs in September. Unemployment insurance payments amounting to \$22.6 million were made to about 427,000 beneficiaries.

## Financial and Economic Data

### Receipts and Expenditures

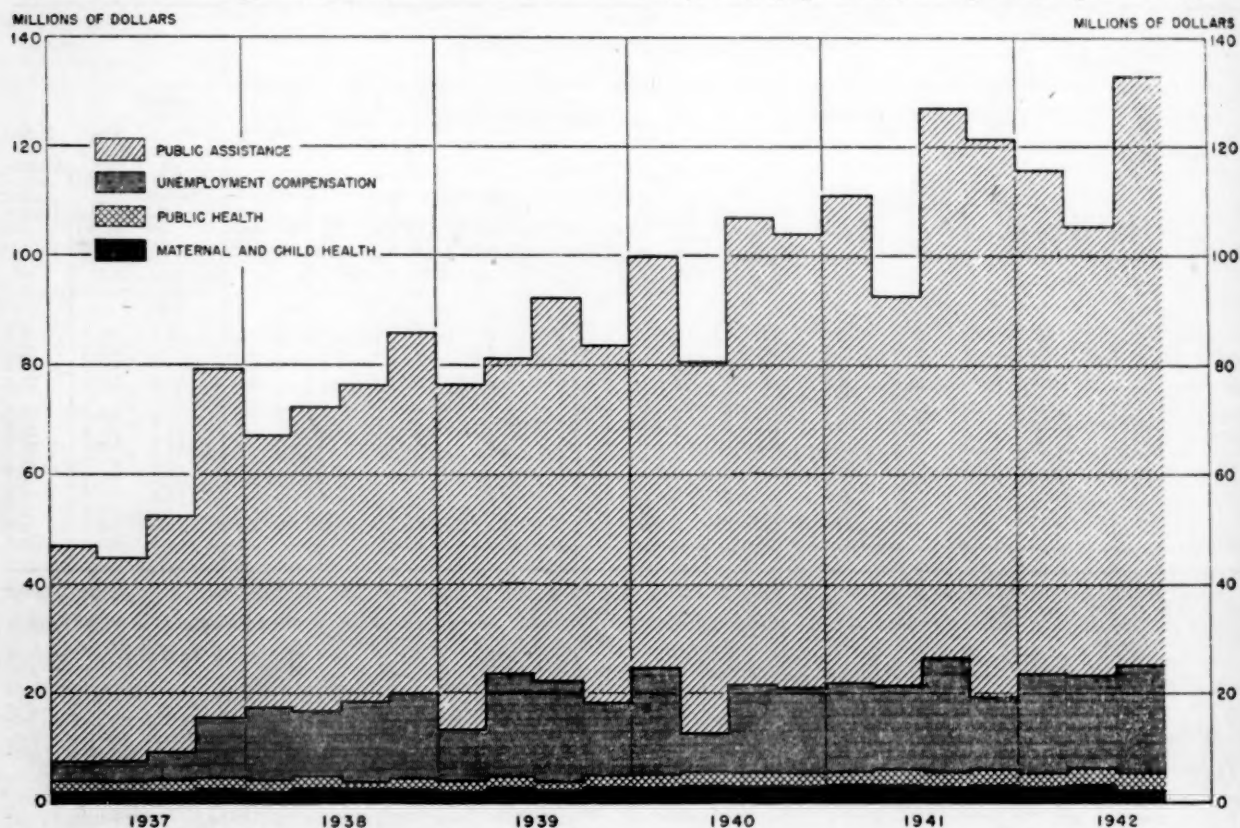
Social security tax receipts for July-September 1942 amounted to 6.7 percent of total Federal receipts of \$4,118 million, as compared with 6.5 percent in the preceding quarter and 10.2 percent in the corresponding period of 1941 (table 1). This proportion may be expected to decline as the provisions of the Revenue Act of 1942 become effective. Collections of additional and increased excise taxes began on November 1, while the 5-percent victory tax on gross incomes (exclusive of capital gains) over \$624 a year will be imposed as of January 1, 1943. Increased individual and corporation taxes on 1942 incomes will be collected in the regular returns next year.

Social security expenditures for July-September were 13 percent higher than in the preceding quarter, but their ratio to total Federal expenditures declined from 2.8 to 2.4 percent.

The combined assets of the old-age and survivors insurance trust fund and the unemployment trust fund amounted to \$6.8 billion at the end of September, as compared with \$6.4 billion at the end of June and \$5.1 billion a year ago. The large increase over the 12-month period reflects the high tax receipts during the past year as well as the continued decline in State withdrawals from the unemployment trust fund.

The combined investments of the two funds amounted to 7.8 percent of the total public debt

Chart 1.—Federal grants to States under the Social Security Act, by quarter, January 1937–September 1942



Source: Daily Statement of the U. S. Treasury.

at the end of the quarter, as compared with 8.8 percent at the end of the previous quarter and 9.8 percent as of September 30, 1941. Holdings of Government securities by the old-age and survivors insurance trust fund increased \$859 million over the investments held at the end of September 1941, while those of the unemployment trust fund rose \$880 million.

The computed rate of interest on the interest-bearing public debt was 2.159 percent as of September 30. The rate was 2.210 percent as of August 31, 1942, and 2.482 percent as of September 30, 1941.

The usual end-of-the-quarter decline in Federal insurance contributions, State unemployment contributions, and Federal unemployment taxes

Table 1.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936–42

[In millions]

Period	General and special accounts										Trust accounts, etc., <sup>7</sup> excess receipts (+) or expenditures (–)	Change in general fund balance	Public debt					
	Receipts of Federal Government				Expenditures <sup>6</sup> of Federal Government								Total	Old-age and survivors insurance trust fund	Unemployment trust fund <sup>8</sup>	Railroad retirement account	All other	
	Total <sup>1</sup>	Social security taxes <sup>2</sup>	Railroad retirement and unemployment taxes <sup>3</sup>	All other	Total <sup>1</sup>	Under the Social Security Act		Under the Railroad Retirement Board		All other								Excess receipts (+) or expenditures (–)
						Adminis-trative ex-penses and grants to States <sup>4</sup>	Net appro-priations and transfers to old-age and survivors insurance trust fund	Adminis-trative ex-penses <sup>5</sup>	Trans-fers to rail-road retirement account									
Fiscal year:																		
1936–37	\$5,294	\$252	( <sup>6</sup> )	\$5,042	\$8,442	\$183	\$265	\$1		\$7,993	–\$3,140	+\$374	–\$128	\$36,425	\$267	\$312	\$35,846	
1937–38	6,242	604	\$150	5,488	7,626	291	387	3	\$146	6,799	–1,384	+306	–338	37,165	662	872	\$66 35,565	
1938–39	5,608	631	109	4,928	9,210	342	503	3	107	8,255	–3,542	+890	+622	40,440	1,177	1,267	67 37,929	
1939–40	5,925	712	126	5,087	9,537	379	539	8	121	8,490	–3,612	+137	–947	42,968	1,738	1,710	79 39,441	
1940–41	8,269	788	144	7,337	13,372	447	661	7	124	12,133	–5,103	–148	+742	48,961	2,381	2,273	74 44,233	
1941–42	13,668	1,016	178	12,474	33,265	501	869	10	141	31,744	–19,598	–3,506	+358	72,422	3,202	3,139	92 65,980	
3 months ended:																		
September 1940	1,645	174	34	1,437	2,438	115	156	2	56	2,109	–794	+213	+524	44,073	1,876	1,790	85 40,322	
September 1941	2,145	218	39	1,888	5,202	185	201	2	46	4,818	–3,057	+304	–368	51,346	2,556	2,479	91 46,220	
September 1942	4,118	277	51	3,790	16,564	141	258	2	113	16,050	–12,446	–304	+1,311	86,483	3,415	3,359	173 79,536	
1941																		
September	1,136	4	33	1,099	1,875	33	1	1		1,840	–739	–293	–607	51,346	2,556	2,479	91 46,220	
October	489	48	1	440	2,126	56	43	1	32	1,994	–1,637	–225	+376	53,584	2,546	2,538	112 48,388	
November	730	175	5	550	2,024	40	166	1		1,817	–1,294	–484	–322	55,040	2,536	2,706	102 49,696	
December	1,214	6	36	1,172	2,544	33	2	1		2,508	–1,329	–328	+1,241	57,938	2,736	2,732	91 52,379	
1942																		
January	614	51	1	562	2,664	56	36	1	32	2,639	–2,050	–633	–610	60,012	2,726	2,771	112 54,403	
February	937	253	4	680	2,808	37	179	1		2,591	–1,871	+114	+612	62,381	2,761	2,923	102 56,595	
March	3,548	5	44	3,499	3,422	31	1	1		3,389	–1,276	–234	–69	62,419	2,923	2,910	91 56,495	
April	732	42	1	689	3,790	49	37	1	32	3,671	–3,058	–126	–642	64,961	2,913	2,914	112 59,022	
May	764	213	9	542	4,155	53	201	1		3,900	–3,391	–257	–39	68,571	2,927	3,106	102 62,436	
June	2,494	5	37	2,452	4,531	11	1	1		4,518	–2,037	–1,635	+179	72,422	3,202	3,139	92 65,980	
July	794	52	1	741	5,208	79	47	1	113	4,968	–4,413	–4	–296	77,136	3,192	3,162	195 70,587	
August	797	220	12	565	5,425	41	209	1		5,174	–4,628	–54	–134	81,685	3,197	3,352	184 74,952	
September	2,528	4	39	2,485	5,932	21	1	1		5,900	–3,404	–215	+1,148	86,483	3,415	3,359	173 79,536	

<sup>1</sup> Beginning July 1940, appropriations to old-age and survivors insurance trust fund minus reimbursements to the Treasury for administrative expenses are excluded from net receipts and expenditures of general and special accounts of the Treasury. These net appropriations are included here in both total receipts and expenditures for comparison with previous periods.

<sup>2</sup> Represents collections under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act.

<sup>3</sup> Represents total collections under the Carriers Taxing Act and 10 percent of collections under the Railroad Unemployment Insurance Act (see table 2, footnote 5).

<sup>4</sup> Excludes public-debt retirement. Based on checks cashed and returned to the Treasury.

<sup>5</sup> Excludes funds for vocational rehabilitation program of the Office of Education and for disease and sanitation investigations of the Public Health Service (see table 3, footnote 1); prior to Jan. 1, 1942, excludes grants to States for employment service administration under the Wagner-Peyser Act. Such grants are included in "all other"; since Jan. 1, 1942, includes Federal expenditures for operation of employment services in the States. Also excludes

administrative expenses incurred by the Treasury prior to July 1940 in administration of title II of the Social Security Act and the Federal Insurance Contributions Act. Includes expenses incurred by the Social Security Board in administration of the Wagner-Peyser Act, beginning July 1940.

<sup>6</sup> Includes expenditures for administration of railroad unemployment insurance, amounting to \$500,000 in 1938–39, \$4,987,000 in 1939–40, \$3,397,000 in 1940–41, \$2,506,000 in 1941–42, and \$512,000 for 1942–43; also includes \$6,719,000 expended since April 1941 for acquisition of service and compensation data of railroad workers in accordance with Public Res. 102, approved Oct. 9, 1940.

<sup>7</sup> Includes all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

<sup>8</sup> Beginning July 1939, contains separate book account for railroad unemployment insurance account and for each State employment security agency.

<sup>9</sup> Less than \$500,000.

<sup>10</sup> Excludes amounts reimbursed to the Treasury for administrative expenses, which were part of transfer.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.



**Table 2.—Social insurance taxes under selected programs, by specified period, 1936-42**

[In thousands]

Period	Old-age and survivors insurance		Unemployment insurance		
	Federal insurance contributions <sup>1</sup>	Taxes on carriers and their employ-ees <sup>2</sup>	State un-employment contributions <sup>3</sup>	Federal un-employment taxes <sup>4</sup>	Railroad un-employment insurance contributions <sup>5</sup>
Cumulative through September 1942.....	\$3,694,469	\$736,578	\$4,951,658	\$586,044	\$226,201
Fiscal year:					
1936-37.....	194,346	345	( <sup>6</sup> )	7 57,751	
1937-38.....	514,406	150,132	( <sup>6</sup> )	7 90,104	
1938-39.....	530,358	109,257	803,007	100,869	
1939-40.....	604,694	120,967	853,955	107,523	49,167
1940-41.....	690,555	136,942	888,450	97,677	68,162
1941-42.....	895,619	170,012	1,093,901	119,944	84,738
3 months ended:					
September 1940.....	164,652	32,109	207,982	9,220	16,257
September 1941.....	207,706	37,620	290,811	10,621	18,726
September 1942.....	264,492	48,924	275,880	12,177	24,135
1941					
September.....	3,366	31,111	6,781	910	18,103
October.....	45,674	1,058	148,239	2,169	86
November.....	168,458	5,202	119,673	6,808	939
December.....	4,323	33,866	10,447	1,267	19,209
1942					
January.....	38,579	1,277	154,912	12,710	107
February.....	181,446	4,161	122,536	71,269	786
March.....	2,773	41,574	5,471	1,995	22,351
April.....	39,173	1,206	122,109	2,853	5
May.....	203,740	9,023	143,747	9,302	684
June.....	3,747	35,025	5,955	952	21,845
July.....	49,371	977	136,883	2,842	87
August.....	211,685	11,455	132,780	8,452	1,600
September.....	3,435	36,491	6,217	882	22,448

<sup>1</sup> Tax effective Jan. 1, 1937, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. A, sec. 1426), payable by employers and employees.

<sup>2</sup> Tax effective Mar. 1, 1936, based on wages for employment as defined in Carriers Taxing Act, payable by carriers and employees.

<sup>3</sup> Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. For differences in State rates, see p. 54, table 8, footnote 3. Data include contributions based on wages from railroad industry prior to July 1, 1939. Subsequent transfers from State accounts to railroad unemployment insurance account in unemployment trust fund, amounting to \$105,900,769 are not deducted. Figures reported by State agencies, corrected to Oct. 22, 1942.

<sup>4</sup> Tax effective Jan. 1, 1936, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. C, sec. 1607), payable by employers only. Amounts represent Federal tax collections after deduction for amounts paid into State unemployment funds on covered wages.

<sup>5</sup> Tax effective July 1, 1939, based on wages for employment as defined in Railroad Unemployment Insurance Act, payable by employers only. Computed from data in Daily Statement of the U. S. Treasury. Represents 10 percent which is deposited with the Treasury and appropriated to railroad unemployment insurance administration fund for expenses of the Railroad Retirement Board in administering act, and 90 percent which is deposited in railroad unemployment insurance account in unemployment trust fund and is not included in receipts of general and special accounts of the Treasury. Amounts, therefore, differ from figures on p. 81, table 1, which represent only the 10 percent deposited with the Treasury.

<sup>6</sup> Vermont and Idaho data for September 1942 not available.

<sup>7</sup> Includes \$40,561,886 subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to the Federal Government.

<sup>8</sup> Not available.

occurred in September; consequently, total tax collections under the selected social insurance programs amounted to only \$69.5 million as compared with \$366 million in August (table 2). Taxes under the Carriers Taxing Act and the Railroad Unemployment Insurance Act are highest during the third month of each quarter, but were not large enough in September to counterbalance the declines in other contributions.

Total social insurance collections of \$626 million received in the quarter ended September 30 were \$90 million more than the comparable total for last year. The increase reflected larger collections under all five of the tax programs. Federal insurance contributions reached a new peak of \$264 million during the quarter, exceeding collections in the same quarter of 1941 by 27 percent.

**Table 3.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act, by specified period, 1941-43<sup>1</sup>**

[In thousands]

Item	Fiscal year 1941-42		Fiscal year 1942-43	
	Appropriations <sup>2</sup>	Expenditures through September <sup>3</sup>	Appropriations <sup>2</sup>	Expenditures through September <sup>3</sup>
Total.....	\$503,829	\$135,414	\$544,688	\$140,902
Administrative expenses.....	26,129	8,051	27,128	7,836
Federal Security Agency, Social Security Board <sup>4</sup>	25,655	6,262	26,642	6,032
Department of Labor, Children's Bureau.....	364	94	376	83
Department of Commerce, Bureau of the Census.....	110	25	110	108
Department of the Treasury <sup>5</sup> .....	( <sup>6</sup> )	1,670	( <sup>6</sup> )	1,592
Grants to States.....	477,700	127,363	517,560	133,065
Federal Security Agency.....	466,500	124,797	506,360	130,943
Social Security Board.....	455,500	122,006	495,360	127,686
Old-age assistance.....	300,000	79,562	329,000	84,151
Aid to dependent children.....	74,000	19,225	78,000	21,258
Aid to the blind.....	9,000	2,145	8,710	2,425
Unemployment compensation administration.....	72,500	7 21,074	79,650	7 19,854
Public Health Service:				
Public health work.....	11,000	2,791	11,000	3,254
Department of Labor, Children's Bureau.....	11,200	2,565	11,200	2,123
Maternal and child health services.....	5,820	1,261	5,820	953
Services for crippled children.....	3,870	907	3,870	793
Child welfare services.....	1,510	397	1,510	377

<sup>1</sup> Excludes some funds appropriated and expended under the Social Security Act, because they are not separated from other Federal funds for similar purposes. Such is the case with funds for vocational rehabilitation for which \$112,000 was appropriated for 1941-42 and \$95,120 for 1942-43 for administration in the Office of Education, and \$2,650,000 for 1941-42 and \$2,800,000 for 1942-43 for grants to States. For disease and sanitation investigations of the Public Health Service, appropriations were \$1,742,481 for 1941-42 and \$1,419,680 for 1942-43 in addition to grants to States shown in this table.

<sup>2</sup> Excludes unexpended balance of appropriations for previous fiscal year. Appropriations for 1941-42 include additional appropriation of \$40,000,000 approved Apr. 28, 1942.

<sup>3</sup> Based on checks cashed and returned to the Treasury. Includes expenditures from reappropriated balance of appropriations for previous fiscal year.

<sup>4</sup> Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of the Treasury. Includes amounts for administration of the Wagner-Peyser Act prior to Jan. 1, 1942. See footnote 7.

<sup>5</sup> Represents amounts expended by the Treasury in administration of title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed to general fund of the Treasury.

<sup>6</sup> Not available.

<sup>7</sup> Prior to Jan. 1, 1942, includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program, and excludes grants to States for employment service administration under the Wagner-Peyser Act. Since Jan. 1, 1942, includes grants for unemployment compensation administration and Federal expenditures for operation of employment services in the States.

Source: Various Federal appropriation acts (appropriations); Daily Statement of the U. S. Treasury (expenditures).

Taxes under the two railroad programs were 30 percent larger, while State unemployment contributions showed an increase of 5.8 percent.

Receipts under the Federal Insurance Contributions Act were higher in July-September 1942 than in comparable months of 1941 in all internal revenue collection districts except Utah (table 4). Receipts under the Federal Unemployment Tax Act were higher in collection districts in 38 States and lower in 11 States.

The general business indexes continued to climb

in September. Industrial production changed more than seasonally; the adjusted index rose 2 points to 185, while the unadjusted index rose 4 points to 191. The principal gains were in the production of transportation equipment and in meat packing. Employment and pay rolls continued to rise during September.

The index of the cost of living, as computed by the Bureau of Labor Statistics, rose to 117.8 in September as compared with 117.5 in August and 108.1 a year ago.

Table 4.—Federal insurance contributions and Federal unemployment taxes,<sup>1</sup> by internal revenue collection district, for the first quarter of fiscal years 1941-42 and 1942-43

[In thousands]

Internal revenue collection district in—	First quarter, fiscal year 1941-42			First quarter, fiscal year 1942-43		
	Total	Insurance contributions <sup>2</sup>	Unemployment taxes <sup>3</sup>	Total	Insurance contributions <sup>2</sup>	Unemployment taxes <sup>3</sup>
Total	\$218,033.2	\$207,456.8	\$10,576.4	\$276,201.3	\$264,105.0	\$12,096.3
Alabama	1,700.2	1,689.6	70.6	2,683.3	2,603.3	80.0
Arizona	321.6	311.1	10.4	518.0	508.0	10.0
Arkansas	583.6	564.6	19.0	819.2	764.7	54.5
California (2 districts)	13,283.2	12,855.1	428.1	19,050.6	18,630.0	420.6
Colorado	1,136.1	1,093.9	42.2	1,450.2	1,404.9	54.3
Connecticut	4,909.0	4,756.8	152.2	6,983.3	6,822.3	161.0
Delaware	1,933.4	1,824.3	109.1	2,992.0	2,808.4	183.6
Florida	1,530.3	1,482.2	48.1	1,909.2	1,845.0	64.2
Georgia	2,249.6	2,151.5	98.1	2,903.7	2,767.6	136.1
Hawaii	483.9	474.1	9.8	1,016.6	974.4	42.2
Idaho	366.4	360.0	6.4	436.4	431.7	4.7
Illinois (2 districts)	19,382.0	18,255.3	1,126.6	22,961.9	21,644.6	1,317.2
Indiana	4,293.4	4,161.8	131.6	5,438.6	5,213.9	224.6
Iowa	1,817.8	1,761.4	56.4	1,982.5	1,920.8	61.7
Kansas	935.6	885.7	49.9	1,367.0	1,335.1	31.8
Kentucky	1,631.6	1,585.8	45.8	1,958.1	1,898.5	59.6
Louisiana	1,658.1	1,591.2	66.9	2,120.1	2,046.1	74.0
Maine	894.7	868.6	26.1	1,243.0	1,212.0	31.0
Maryland (including District of Columbia)	4,044.4	3,871.7	172.7	5,004.4	4,824.7	179.7
Massachusetts	9,727.2	9,365.1	362.1	11,840.1	11,349.0	491.1
Michigan	15,099.7	14,330.5	769.2	18,541.6	17,504.4	1,037.2
Minnesota	2,888.0	2,781.4	106.6	3,129.4	3,028.9	100.5
Mississippi	562.6	547.9	14.7	663.8	674.6	19.2
Missouri (2 districts)	5,241.2	4,994.9	246.3	6,529.5	6,202.8	326.6
Montana	338.8	327.3	11.6	338.1	329.9	8.2
Nebraska	902.9	864.8	38.1	1,130.5	1,090.2	40.4
Nevada	149.9	133.6	16.3	247.2	228.8	18.4
New Hampshire	591.8	570.3	21.5	716.5	696.1	20.4
New Jersey (2 districts)	8,584.3	8,005.9	578.4	10,895.9	10,432.5	463.4
New Mexico	206.1	202.0	4.0	236.8	232.5	4.3
New York (6 districts)	45,023.1	42,155.8	2,867.3	54,411.0	51,221.6	3,189.4
North Carolina	2,725.9	2,611.7	114.2	3,694.2	3,595.1	99.1
North Dakota	159.9	156.5	3.3	169.5	164.9	4.6
Ohio (4 districts)	15,770.1	15,137.5	632.6	19,234.7	18,407.8	826.8
Oklahoma	1,623.2	1,546.1	77.1	2,049.5	1,959.2	90.3
Oregon	1,498.7	1,451.9	46.8	2,494.2	2,457.0	37.3
Pennsylvania (3 districts)	21,943.9	20,741.8	1,202.1	28,306.3	26,912.1	1,394.2
Rhode Island	1,725.8	1,688.3	37.5	2,110.3	1,927.0	183.3
South Carolina	1,088.3	1,052.0	36.3	1,403.2	1,365.2	38.0
South Dakota	183.4	182.6	.8	235.7	231.7	4.0
Tennessee	1,985.2	1,926.3	58.8	2,396.8	2,327.7	69.1
Texas (2 districts)	4,681.3	4,505.4	175.9	6,158.3	5,937.9	220.5
Utah	435.6	425.2	10.4	573.8	411.5	162.3
Vermont	358.6	341.2	17.4	435.6	420.9	14.7
Virginia	2,403.4	2,301.9	101.5	3,323.7	3,153.4	170.3
Washington (including Alaska)	2,754.8	2,654.6	100.3	4,406.6	4,287.1	119.6
West Virginia	1,652.4	1,580.4	72.0	2,008.2	1,961.7	46.4
Wisconsin	4,355.6	4,180.1	175.4	5,458.0	5,266.8	191.2
Wyoming	156.7	148.9	7.8	176.0	170.5	5.5

<sup>1</sup> Data are based on warrants covered by the Bookkeeping and Warrants Division of the Treasury Department and therefore differ slightly from the tax receipts in tables 1 and 2 which are based on the Daily Statement of the U. S. Treasury. Amounts listed in this table represent collections made in internal revenue collection districts in the respective States and covered into the Treasury. The amount received by a particular district does not

necessarily represent taxes paid with respect to employment within the State in which that district is located.

<sup>2</sup> See table 2, footnote 1.

<sup>3</sup> See table 2, footnote 4.

Source: U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

Table 5.—Status of the old-age and survivors insurance trust fund, by specified period, 1936-42

(In thousands)

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund <sup>1</sup>	Interest received <sup>2</sup>	Benefit payments <sup>3</sup>	Reimbursement for administrative expenses	Net total of Treasury notes and bonds acquired <sup>4</sup>	Cash with disbursing officer at end of period	Credit of fund account at end of period <sup>5</sup>	Total assets at end of period
Cumulative through September 1942.....	\$3,553,251	\$214,865	\$243,522	\$72,679	* \$3,415,095	\$31,463	\$5,358	\$3,451,915
Fiscal year:								
1936-37.....	265,000	2,262	27		267,100	73	62	267,235
1937-38.....	387,000	15,412	5,404		395,200	1,931	113,012	777,243
1938-39.....	503,000	26,951	13,892		514,900	3,036	66	1,180,362
1939-40.....	550,000	42,489	15,805	12,288	560,900	6,098	500	1,744,698
1940-41.....	688,141	55,958	64,342	26,840	642,500	10,778	6,238	2,397,615
1941-42.....	895,619	71,007	110,281	26,766	821,034	20,384	5,176	3,227,194
3 months ended:								
September 1940.....	162,238	104	10,560	6,663	137,500	10,370	3,848	1,889,517
September 1941.....	207,706	130	23,430	6,604	175,400	12,332	7,084	2,575,417
September 1942.....	264,492	786	33,771	6,785	* 213,461	31,463	5,358	3,451,915
1941								
September.....	3,366	81	8,060	2,201	195,400	12,332	7,084	2,575,417
October.....	45,674	88	8,289	2,210	-10,000	14,040	50,640	2,610,680
November.....	168,458	113	8,406	2,210	-10,000	15,631	217,005	2,708,637
December.....	4,323	241	9,070	2,210	200,400	18,530	8,992	2,761,921
1942								
January.....	38,579	169	9,266	2,142	-10,000	17,260	45,601	2,789,261
February.....	181,446	190	9,639	2,142	34,334	17,614	180,422	2,959,117
March.....	2,773	460	10,275	2,142	162,600	17,309	9,289	2,949,932
April.....	39,173	237	10,376	2,369	-10,000	16,930	46,333	2,976,597
May.....	203,740	261	10,715	2,369	14,000	16,210	223,969	3,167,514
June.....	3,747	69,118	10,815	2,369	274,300	20,384	5,176	3,227,194
July.....	49,371	18	10,989	2,262	-10,000	19,389	52,309	3,263,332
August.....	211,685	79	11,024	2,262	* 5,161	28,359	236,657	3,461,811
September.....	3,435	690	11,758	2,262	218,300	31,463	5,358	3,451,915

<sup>1</sup> Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act.

<sup>2</sup> Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

<sup>3</sup> Based on checks cashed and returned to the Treasury.

\* Minus figures represent net total of notes redeemed.

<sup>4</sup> Prior to July 1940, includes balance of appropriation available for transfer.

<sup>5</sup> Includes \$161,000 accrued interest paid on investments.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

Table 6.—Status of the railroad retirement account, by specified period, 1936-42

(In thousands)

Period	Receipts			Transfers from appropriation to trust fund	Benefit payments <sup>1</sup>	Assets at end of period			
	Amount appropriated	Interest received	Total			3-percent special Treasury notes	To credit of appropriation <sup>2</sup>	To credit of disbursing officer	Total
Cumulative through September 1942.....	* \$854,151	\$11,705	\$865,856	\$751,951	\$578,399	\$173,000	\$102,328	\$12,130	\$287,458
Fiscal year:									
Through June 1938.....	146,500	1,411	147,911	146,406	79,849	66,200	234	1,628	68,662
1938-39.....	118,250	2,202	120,452	107,094	105,774	67,200	13,206	2,334	82,740
1939-40.....	120,150	2,283	122,433	120,650	113,099	79,400	10,847	1,826	92,073
1940-41.....	* 113,600	2,534	116,134	124,350	121,174	74,000	2,503	10,530	87,033
1941-42.....	140,850	3,143	143,993	140,850	126,244	91,500	1,597	11,686	104,782
1942-43 (through September).....	214,801	133	214,934	112,601	32,259	173,000	102,328	12,130	287,458
1941									
September.....		73	73	0	10,421	91,000	94,580	11,371	196,951
October.....		97	97	31,500	10,596	112,000	63,103	11,350	186,452
November.....		124	124	0	10,357	101,500	63,128	11,592	176,220
December.....		156	156	0	10,699	90,500	63,160	12,017	165,677
1942									
January.....		176	176	31,500	10,485	111,500	31,687	12,181	155,368
February.....		193	193	0	10,458	101,500	31,702	11,901	145,103
March.....		215	215	0	10,691	91,000	31,718	11,910	134,628
April.....		233	233	31,500	10,776	112,000	238	11,846	124,085
May.....		259	259	0	10,393	101,500	264	12,186	113,950
June.....		1,591	1,591	0	10,759	91,500	1,597	11,686	104,782
July.....	214,801	14	214,815	112,601	10,820	195,000	102,239	11,540	308,777
August.....		46	46	0	10,721	184,000	113,289	813	298,102
September.....		73	73	0	10,718	173,000	102,328	12,130	287,458

<sup>1</sup> Based on checks cashed and returned to the Treasury.

<sup>2</sup> Represents balances in appropriation and trust fund accounts, including net credit from adjustments such as cancellations and repayments.

<sup>3</sup> Appropriation reduced by transfer of \$9 million in October 1940 to prior-service account for collection of service and compensation data of railroad workers prior to 1937.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.



Social security expenditures of \$141 million for grants to States and for administrative expenses during July-September were \$5.5 million larger than during the same period of 1941 (table 3). Grants for old-age assistance remained the largest disbursement under the Social Security Act and also showed the largest absolute increase over the corresponding period of 1941. Grants for aid to dependent children and aid to the blind and for public health work were larger in the third quarter of 1942 than they were a year earlier. Grants for unemployment compensation administration were \$1.2 million less, despite the fact that this year's expenditures include all funds expended for operation of the employment services in the States. Grants for the three maternal and child welfare programs administered by the Department of Labor also declined in comparison with the same quarter of last year. Chart 1 shows the quarterly totals of Federal grants to States under the Social Security Act from January 1937 through September 1942.

### Old-Age and Survivors Insurance Trust Fund

Contributions appropriated to the trust fund totaled \$264 million in the quarter ended September 30 as contrasted with \$208 million in the same quarter of 1941 (table 5). Expenditures from the fund for benefit payments amounted to \$11.8 million during September, an increase of \$734,000 over August and the largest monthly increase since March 1941. Reimbursements to the Treasury for administrative expenses for the entire quarter, amounting to \$6.8 million, were paid out of the disbursing officer's account during September, although they have been noted in the fund account and on the Daily Treasury Statement as monthly transactions in order to balance current expenditures.

Total assets of the old-age and survivors insurance trust fund declined by \$9.9 million during the month, as a result of the usual low collections in the third month of each quarter. Total assets at the end of September, however, were 34 percent above those on September 30, 1941. Net invest-

Table 7.—Status of the unemployment trust fund, by specified period, 1936-42<sup>1</sup>

[In thousands]

Period	Total assets at end of period	Net total of Treasury certificates and bonds acquired <sup>2</sup>	Unexpended balance at end of period	Undistributed interest at end of period <sup>3</sup>	State accounts				Railroad unemployment insurance account			
					Deposits	Interest credited	Withdrawals <sup>4</sup>	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period <sup>4,5</sup>
Cumulative through September 1942.....	\$3,370,417	\$3,350,150	\$11,258	—	\$4,993,859	\$190,298	\$2,107,314	\$3,076,843	\$203,583	\$8,694	\$41,988	\$293,572
Fiscal year:												
1936-37.....	312,389	293,386	94	—	291,703	2,737	1,000	312,389	—	—	—	—
1937-38.....	884,247	559,705	12,247	—	747,660	15,172	190,975	884,247	—	—	—	—
1938-39.....	1,280,539	395,000	13,539	—	811,251	26,837	441,795	1,280,539	—	—	—	—
1939-40.....	1,724,862	443,000	14,862	—	859,864	37,524	484,764	1,693,164	44,249	202	14,552	31,699
1940-41.....	2,283,658	563,000	10,658	—	892,023	45,893	537,343	2,093,737	61,347	3,059	17,784	189,921
1941-42.....	3,150,103	866,000	11,103	—	1,095,991	61,998	368,070	2,883,654	76,266	5,424	9,072	266,447
3 months ended:												
September 1940.....	1,802,082	80,000	12,082	—	209,692	133	188,564	1,714,424	14,631	3	2,636	87,659
September 1941.....	2,487,541	206,000	8,541	—	261,343	55	76,835	2,278,301	16,854	5	1,449	209,240
September 1942.....	3,370,417	220,159	11,258	—	276,510	46	83,366	3,076,843	21,721	10	579	293,572
1941												
September.....	2,487,541	0	8,541	—	7,446	55	23,670	2,278,301	16,293	5	596	209,240
October.....	2,541,283	59,000	3,283	\$33	73,654	—	19,408	2,332,547	78	—	615	208,703
November.....	2,712,734	168,000	6,734	33	191,377	—	20,203	2,503,721	845	—	567	208,980
December.....	2,744,358	26,000	12,358	—	12,026	28,694	28,042	2,516,399	17,288	2,510	820	227,958
1942												
January.....	2,775,418	39,000	4,418	18	75,307	—	43,104	2,548,602	96	—	1,257	226,797
February.....	2,939,810	152,000	16,810	37	202,170	—	37,178	2,713,594	707	—	1,326	226,178
March.....	2,923,153	—13,000	13,153	—	9,130	130	44,666	2,678,188	20,116	11	1,342	244,963
April.....	2,928,424	4,000	14,424	137	43,169	—	37,136	2,684,221	4	—	903	244,064
May.....	3,115,015	192,000	9,015	137	219,232	—	32,709	2,870,744	616	—	549	244,131
June.....	3,150,103	33,000	11,103	—	8,582	33,118	28,790	2,883,654	19,661	2,898	243	266,447
July.....	3,170,833	23,000	8,533	6	51,883	—	31,050	2,904,487	78	—	187	266,338
August.....	3,364,170	190,159	12,010	6	215,907	—	29,798	3,090,596	1,440	—	185	273,566
September.....	3,370,417	7,000	11,258	—	8,720	46	22,519	3,076,843	20,203	10	207	293,572

<sup>1</sup> Beginning July 1939, contains separate book account for railroad unemployment insurance account, in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Trust fund maintains separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments.

<sup>2</sup> Minus figures represent net total of certificates redeemed.

<sup>3</sup> Interest on redeemed Treasury certificates, received by fund at time of

redemption but credited to separate book accounts only in last month of each quarter.

<sup>4</sup> Includes transfers from State accounts to railroad unemployment insurance account amounting to \$105,901,000.

<sup>5</sup> Includes transfers from railroad unemployment insurance administration fund amounting to \$17,382,967.

<sup>6</sup> Includes \$159,000 accrued interest paid on investments.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

**Table 8.—Federal grants to States under the Social Security Act: Checks issued by the Treasury Department through September of fiscal years 1941-42 and 1942-43<sup>1</sup>**

[In thousands]

State	Fiscal year 1941-42 through September, total grants <sup>2</sup>	Fiscal year 1942-43 through September								
		Total grants	Federal Security Agency					Department of Labor		
			Social Security Board				Public Health Service	Children's Bureau		
			Old-age assistance	Aid to dependent children	Aid to the blind	Unemployment compensation administration <sup>3</sup>		Maternal and child health services	Services for crippled children	Child welfare services
Total, all participating States	\$143,589.7	\$153,264.3	\$100,425.5	\$23,472.7	\$2,668.0	\$20,798.3	\$3,342.8	\$1,320.2	\$849.5	\$387.3
Alabama	938.3	1,023.3	403.0	179.8	13.6	213.2	112.7	64.3	25.0	11.6
Alaska	117.4	197.5	139.5	( <sup>1</sup> )	( <sup>1</sup> )	30.3	16.5	2.3	6.2	2.6
Arizona	967.5	1,003.3	679.9	169.0	26.6	80.4	20.7	16.0	7.9	2.9
Arkansas	1,059.5	951.1	393.6	198.7	23.0	226.6	50.9	19.8	29.6	9.0
California	15,421.6	14,575.3	11,355.7	905.8	551.1	1,541.1	117.7	43.3	40.6	20.1
Colorado	3,213.5	3,122.8	2,442.1	398.2	45.0	142.4	39.7	27.0	23.6	4.8
Connecticut	1,777.9	1,690.9	1,072.7	150.6	10.1	400.1	31.4	9.6	10.9	5.4
Delaware	232.5	183.5	61.7	32.9	( <sup>1</sup> )	59.6	11.9	11.7	2.8	3.0
District of Columbia	501.4	418.3	194.1	85.7	21.3	83.6	23.3	7.8	( <sup>4</sup> )	2.6
Florida	1,810.2	1,968.1	1,254.8	302.3	97.4	200.4	63.2	10.5	34.7	4.9
Georgia	1,280.4	2,032.3	1,209.4	227.4	51.4	327.8	123.6	60.9	21.4	10.4
Hawaii	215.9	154.3	33.7	41.2	2.1	55.2	7.0	6.5	5.8	2.9
Idaho	867.0	840.8	497.9	210.5	14.3	81.2	21.4	6.3	5.4	4.0
Illinois	10,137.5	11,552.4	8,161.1	1,596.8	( <sup>1</sup> )	1,547.4	171.0	42.5	22.3	10.3
Indiana	4,229.0	5,032.3	3,336.9	926.1	135.2	533.8	71.8	7.5	12.6	8.5
Iowa	2,952.9	2,827.7	2,434.4	( <sup>1</sup> )	94.9	182.8	63.0	22.1	20.7	9.7
Kansas	2,004.9	2,257.3	1,492.6	424.0	67.4	174.3	60.4	22.7	10.2	5.7
Kentucky	1,613.9	1,641.3	1,157.7	( <sup>1</sup> )	20.8	296.2	119.4	50.4	16.3	10.4
Louisiana	2,296.7	2,267.9	1,002.5	836.0	52.7	244.0	95.3	19.3	12.9	5.2
Maine	900.0	1,002.2	651.0	126.5	30.3	139.7	20.1	11.2	9.3	5.1
Maryland	1,492.9	1,347.6	638.2	309.6	29.3	225.6	37.8	27.0	13.9	6.1
Massachusetts	5,580.8	7,302.1	5,452.7	786.0	43.9	919.0	54.5	23.4	18.1	4.5
Michigan	6,262.5	6,339.2	3,786.7	1,296.4	79.9	1,001.7	97.5	40.9	22.6	13.4
Minnesota	3,450.0	4,114.0	2,931.0	605.1	63.6	381.6	70.8	23.3	30.3	8.2
Mississippi	985.2	959.7	485.4	107.7	31.2	161.0	113.1	38.3	13.6	9.3
Missouri	4,362.8	4,896.7	3,209.4	862.4	( <sup>1</sup> )	652.2	89.7	47.4	24.5	11.2
Montana	895.0	875.5	552.9	185.1	16.8	85.9	14.2	11.2	5.4	4.1
Nebraska	1,614.3	1,798.1	1,296.2	312.9	34.5	131.5	19.7	19.9	7.3	6.1
Nevada	272.9	200.0	125.6	( <sup>1</sup> )	( <sup>1</sup> )	48.6	12.2	10.2	( <sup>1</sup> )	3.5
New Hampshire	616.9	538.6	327.5	57.9	16.4	97.8	18.8	11.7	4.4	4.0
New Jersey	2,984.2	2,808.0	1,290.2	489.0	29.7	887.7	75.1	21.9	18.5	5.9
New Mexico	461.2	436.1	178.3	137.9	9.8	51.2	29.2	21.8	4.2	3.6
New York	11,140.4	11,011.5	6,222.6	1,682.5	170.9	2,652.6	188.0	32.7	50.8	11.4
North Carolina	1,907.1	1,790.8	840.8	366.1	79.5	315.1	104.0	51.3	22.0	12.1
North Dakota	691.0	605.8	339.0	157.3	6.4	62.3	23.0	6.1	8.3	3.5
Ohio	8,720.1	8,955.3	6,697.0	757.1	175.5	1,104.2	145.9	41.6	28.7	5.2
Oklahoma	4,024.7	5,042.4	3,564.3	1,009.3	112.6	223.9	58.9	34.9	30.5	8.0
Oregon	1,345.2	1,279.6	805.1	111.2	19.8	272.4	40.9	11.8	15.4	3.0
Pennsylvania	10,910.0	9,727.7	4,523.7	3,259.3	( <sup>1</sup> )	1,648.6	155.6	70.3	51.5	18.8
Puerto Rico	158.9	105.2					95.7			9.5
Rhode Island	524.7	650.2	308.0	101.7	5.8	194.2	18.5	14.0	4.9	3.1
South Carolina	832.8	1,028.3	528.3	143.9	24.2	173.6	88.8	38.0	22.6	9.0
South Dakota	850.1	800.9	577.0	111.4	8.5	48.3	21.9	13.2	14.5	6.1
Tennessee	2,084.5	1,909.4	939.4	558.4	39.3	253.5	86.1	18.3	11.0	3.4
Texas	7,640.5	9,255.2	7,461.9	715.3	136.5	628.5	204.9	82.4	21.6	31.0
Utah	1,300.8	1,170.1	793.1	249.4	10.5	96.2	17.6	( <sup>1</sup> )	( <sup>1</sup> )	3.3
Vermont	379.3	332.0	192.3	47.5	7.2	66.4	( <sup>1</sup> )	7.0	8.1	3.6
Virginia	819.6	909.6	295.1	170.1	25.0	267.0	84.1	31.6	25.6	11.0
Washington	3,977.5	5,490.4	4,539.9	372.2	72.6	383.6	41.6	59.1	14.8	6.6
West Virginia	1,279.3	2,229.7	881.8	1,060.9	55.7	233.9	15.1	16.1	21.0	5.1
Wisconsin	3,122.1	3,688.8	2,515.0	582.5	89.6	388.9	64.1	28.7	10.0	9.9
Wyoming	364.2	335.2	193.0	54.9	7.4	53.5	13.5	4.6	4.1	4.2
Central Office <sup>5</sup>		558.0				558.0				

<sup>1</sup> Excludes Federal funds for vocational rehabilitation under the Social Security Act, because they are not separated from other Federal funds for similar purposes.

<sup>2</sup> Prior to Jan. 1, 1942, includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program and excluded grants under the Wagner-Peyser Act. Since Jan. 1, 1942, includes grants for unemployment compensation administration and Federal expenditures for operation of employment services in the States.

<sup>3</sup> No plan approved by the Social Security Board.

<sup>4</sup> Plan approved by the Children's Bureau, but no checks issued as yet by the Treasury.

<sup>5</sup> Plan approved by the Public Health Service, but no checks issued as yet by the Treasury.

<sup>6</sup> Represents Federal expenditures for office supplies; amount not distributed by States.

Source: Compiled from data furnished by the U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

ments of the fund during September amounted to \$218 million. Special 3-percent Treasury notes amounting to \$21.7 million were redeemed, and the entire sum was made available to the account of the disbursing officer. New securities totaling \$240 million were acquired in the form of 2½-percent special old-age and survivors insurance trust fund notes, 1947 series. The 2½-percent rate on the new notes is below that on any of the securities previously acquired by the fund.

#### **Railroad Retirement Account**

By the end of September, tax collections under the Carriers Taxing Act amounted to \$737 million, of which \$48.9 million was received in the third quarter of 1942. The cumulative total of congressional appropriations for benefit payments and investments totaled \$854 million. To the latter was added \$11.7 million in interest on investments. Benefit payments amounted to \$578 million, leaving assets of \$287 million in the account as of September 30 (table 6). More than half of these assets—\$173 million—were invested in 3-percent special Treasury notes, \$102 million was in the appropriation account, and \$12.1 million in cash was held to the credit of the disbursing officer.

#### **Unemployment Trust Fund**

Assets of the unemployment trust fund as of September 30 amounted to \$3,370 million, of which \$3,359 million represented securities and \$11.3 million the cash balance (table 7). Aggregate State balances declined by \$13.8 million during the month, because most of the deposits to State accounts are received during the first 2 months of the quarter, while withdrawals reflect the estimated need for funds to pay benefits in the succeeding month. The States withdrew \$22.5 million in September, the lowest monthly total of withdrawals since November 1941. The balance in the railroad unemployment insurance account increased by \$20.0 million during the month, and September deposits were the highest for any month to date.

During the month, there was a net increase of \$7 million in the Government securities held by the fund; \$10 million of 2½-percent special certificates of indebtedness were redeemed, and \$17 million of 2½-percent certificates were acquired. The interest from securities redeemed during the quarter was distributed at the end of September—\$46,000 to the State accounts and \$10,000 to the railroad unemployment insurance account.



# Recent Publications in the Field of Social Security

## WAR AND SOCIAL SERVICES

ALTMAYER, A. J. "Re Manpower." *American Federationist*, Washington, Vol. 49, No. 8 (August 1942), pp. 7-9.

The manpower problem and the work of the War Manpower Commission in directing the U. S. Employment Service and other agencies toward its solution.

BORCHARD, EDWIN M. "Community Liability for Civilian War Injuries." *American Municipal Law Review*, Chicago, Vol. 7, No. 7 (July 1942), pp. 101-109.

A discussion of British and United States practices.

"Control of Employment in New Zealand." *International Labour Review*, Montreal, Vol. 46, No. 4 (October 1942), pp. 475-479.

CRUM, WILLIAM LEONARD; FENNELLY, JOHN F.; and SELTZER, LAWRENCE HOWARD. *Fiscal Planning for Total War*. New York: National Bureau of Economic Research, 1942. 358 pp.

Includes a chapter on the nature of social security taxes, their relation to the income tax, and the question of future benefits.

"Developments in Australian Man-Power Policy." *International Labour Review*, Montreal, Vol. 46, No. 4 (October 1942), pp. 471-475.

ELIOT, MARTHA M. "Planning for Care of Children After Evacuation." *The Child*, Washington, Vol. 7, No. 3 (September 1942), pp. 39-42.

"Employment of Women in Wartime." *Monthly Labor Review*, Washington, Vol. 55, No. 3 (September 1942), pp. 441-445.

Data from the Bureau of Labor Statistics as of April and May 1942.

FAMILY WELFARE ASSOCIATION OF AMERICA. *Family Welfare and the Home Front: Blue Bulletin, Series C (for Member Agencies)*. New York: The Association, 1942. Processed.

The first bulletins in this series are: Joint Statement, American Red Cross and Family Welfare Association of America on Services to the Armed Forces (6 pp.); Family Allowances for Dependents of Men in the Armed Forces (4 pp.); Employment in Industry of Women With Young Children (2 pp.); Shortage of Social Work Personnel (3 pp.).

GREAT BRITAIN MINISTRY OF HEALTH. MEDICAL PERSONNEL (PRIORITY) COMMITTEE. *First and Second Interim Reports*. London: H. M. Stationery Office, 1942. 12 pp.

The Committee, Sir Geoffrey Shakespeare, Chairman, was appointed to investigate "what further steps can usefully be taken to secure the utmost economy in the employ-

ment of medical personnel" in all British medical services. Recommendations include using medical officers for civilian purposes.

GREAT BRITAIN. TREASURY. *Family Allowances; Memorandum by the Chancellor of the Exchequer*. London: H. M. Stationery Office, 1942. 12 pp. (Papers by Command, No. 6354.)

Outlines fiscal aspects of various types of family allowance systems that have been proposed for Great Britain.

HENKIN, DANIEL. "Obstetric and Pediatric Care for Families of Soldiers." *Medical Economics*, Rutherford, N. J., October 1942, pp. 59 ff.

A resumé of progress in approving State plans for participation in the Federal program to finance obstetric and pediatric care for wives and children of men in military service.

HOEHLER, FRED K. "Welfare Services in Total War." *Survey Graphic*, New York, Vol. 31, No. 10 (October 1942), pp. 412-414.

KALLENBERG, JEAN. "Some Aspects of Controlled Evacuation of Japanese on the West Coast." *The Family*, New York, Vol. 23, No. 6 (October 1942), pp. 232-234.

The role of social case work in the evacuation.

McNUTT, PAUL V. "Mobilizing War Manpower." *Mill and Factory*, New York, Vol. 30, No. 6 (June 1942), pp. 61 ff.

"Man-Power Policy in Germany." *International Labour Review*, Montreal, Vol. 46, No. 4 (October 1942), pp. 461-465.

Statistical data, administrative changes, additional restrictions on employment, and mobilization of additional workers for agriculture are considered.

MANUFACTURERS ASSOCIATION OF CONNECTICUT, INC. *Womanpower to Supplement Manpower*. Hartford: The Association, June 1942. 32 pp.

Advice on types of work suitable for women, their supervision, recruiting and training, hours and pay, and fatigue and absenteeism.

"Many Obstacles Hinder Efforts of United States Employment Service to Place Selective Service Registrants on War Priority Jobs." *Placement-Unemployment Insurance Bulletin*, Albany, Vol. 6, No. 7 (August 1942), pp. 13-14. Processed.

Presents results of classification and interview by New York public employment offices of draft registrants who reported possession of critical skills for the war effort.

"Maritime Labor Force in the United States." *Monthly Labor Review*, Washington, Vol. 55, No. 3 (September 1942), pp. 435-440.

Results from a sample survey by the Bureau of Labor Statistics of the records of the Bureau of Marine Inspection and Navigation.

*Minority Peoples in a Nation at War*, edited by J. P. Shaloo and Donald Young. *Annals of the American Academy of Political and Social Science*, Philadelphia, Vol. 223 (September 1942), pp. 1-198.

A collection of 27 papers. The field of employment security is considered in Robert C. Weaver's "Defense Industries and the Negro," Lester B. Granger's "Barriers to Negro War Employment," and Will W. Alexander's "Aliens in War Industries."

"The Need of the Army for Physicians." *Journal of the American Medical Association*, Chicago, Vol. 120, No. 6 (Oct. 10, 1942), pp. 457-458.

The text of a statement of the Surgeon General, United States Army.

"New War-Time Wages Control Order." *Canadian Congress Journal*, Montreal, Vol. 21, No. 8 (August 1942), pp. 27-38.

The text of Canadian Order in Council P. C. 5963, July 10, 1942, clarifying and restating the Government's policy on wages. This issue also reproduces a new bonus order of the Canadian National War Labour Board, based on the rise in the cost of living.

"Plans to Meet Need for Medical Care." *Journal of the American Medical Association*, Chicago, Vol. 120, No. 6 (Oct. 10, 1942), p. 458.

Summarizes a statement by Paul V. McNutt concerning the policy of the Procurement and Assignment Service of the War Manpower Commission in remedying the lack of medical care in certain industrial areas.

ROMALIS, FRIEDA. "The Impact of the War on Family Life. I—Reactions to Change and Crises." *The Family*, New York, Vol. 23, No. 6 (October 1942), pp. 203-209.

Emphasizes factors of disorganization and their significance for the social case worker.

ROWSOME, F. H., JR. "Government Lays Plans to Take Over Resettlement of M. D.'s" *Medical Economics*, Rutherford, N. J., October 1942, pp. 44-48 ff.

The problem of important war-industry areas without adequate medical services, and what the Public Health Service and the State Procurement and Assignment Service committees are doing toward locating doctors there.

SCOTLAND. DEPARTMENT OF HEALTH. *Emergency Relief Organisation: Information Centres, a Handbook on Their Organisation*. Edinburgh: H. M. Stationery Office, 1942. 30 pp. (D. H. S. Memo. No. 43/1942.)

Practical advice on details for establishment and administration of "information centres where, under one roof, representatives of the local authority and of government departments and voluntary workers are ready to advise and help victims of enemy action."

SINGER, H. W. "The German War Economy, VI."

*Economic Journal*, London, Vol. 52, Nos. 206-7 (June-September 1942), pp. 186-205.

Surveys the period from December 1941 to April 1942 and gives data on labor, wages, prices, restriction of consumption, and related matters.

"Social Reconstruction in China; A Study in Post-War Problems." *International Labour Review*, Montreal, Vol. 46, No. 3 (September 1942), pp. 299-312.

"Unemployment Assistance Allowances; Regulations Authorizing Increased Payments." *National Insurance Gazette*, London, Vol. 31, No. 1577 (Aug. 6, 1942), p. 384.

A summary of British draft regulations to provide larger unemployment allowances, effective August 17, 1942, "for the relief of distress caused by the war."

U. S. ADJUTANT GENERAL'S OFFICE. *Monthly Allowances for the Dependents of Soldiers Under the Servicemen's Dependents Allowance Act of 1942*. Washington: U. S. Government Printing Office, 1942. 22 pp. (Booklet FA-1, Allowance and Allotment Branch, A. G. O.)

U. S. CHILDREN'S BUREAU. *For Our Children in Wartime*. Washington: The Bureau, 1942. 3 pp. Processed.

"A program of State action adopted August 28, 1942, by the Children's Bureau Commission on Children in Wartime in consultation with the Office of Defense Health and Welfare Services and the Office of Civilian Defense."

U. S. NATIONAL RESOURCES PLANNING BOARD. *Post-War Planning; Full Employment, Security, Building America*. Washington: U. S. Government Printing Office, September 1942. 32 pp.

Presents a post-war agenda, including plans for demobilization and for the parts to be played by Government and private enterprise in peacetime readjustment.

U. S. WAR RELOCATION AUTHORITY. *Relocation Communities for Wartime Evacuees*. Washington, September 1942. 13 pp. Processed.

Describes each relocation center, including evacuee capacity, gross acreage, and acreage suitable for agricultural development. Illustrated.

## GENERAL

BAKKE, E. WIGHT. "Life of Abraham Epstein: An American Epic." *Social Security*, New York, Vol. 16, No. 7 (September-October 1942), pp. 3-6.

CHASE, STUART. "Freedom From Want; A Postwar Budget for America." *Harper's Magazine*, New York, Vol. 185, No. 1109 (October 1942), pp. 459-469.

Discusses ways of achieving key "standards for community survival in the postwar world"; among them are abolition of chronic unemployment, minimum standards of well-being for the entire population, and maintenance of natural resources.

HAINSWORTH, REGINALD G.; BAKER, OLIVER E.; and BRODEL, ALBERT P. *Seedtime and Harvest Today*.

Washington: U. S. Government Printing Office, 1942. 97 pp. (U. S. Department of Agriculture, Miscellaneous Publication No. 485.)

Information on farm-labor problems in the principal annual crops of the Nation. Illustrated.

KAHN, DOROTHY C. "Function of Government in Relation to Economic Security." *American Labor Legislation Review*, New York, Vol. 32, No. 3 (September 1942), pp. 120-127.

A discussion of some of the gaps in the United States social security program and of the need for "provision of basic maintenance for every man, guaranteed by government if not actually supplied by it."

LEE, ROSE HUM. "Chinese in the United States Today." *Survey Graphic*, New York, Vol. 31, No. 10 (October 1942), pp. 419 ff.

"Liberal Measure to Expand Social Security Introduced in Congress." *Social Security*, New York, Vol. 16, No. 7 (September-October 1942), pp. 1 ff.

A summary of H. R. 7534, introduced by Representative Thomas H. Eliot of Massachusetts.

P E P (POLITICAL AND ECONOMIC PLANNING). *Planning for Social Security*. Planning, London, No. 190 (July 14, 1942), pp. 1-52. Entire issue. (Photo-offset reproduction, *New Republic*, New York.)

A comprehensive discussion of the P E P recommendations to the British Interdepartmental Committee on Social Insurance and Allied Services, Sir William Beveridge, Chairman. Principles of reconstruction, the need for a Ministry of Social Security, method of financing, and the benefits and their administration are presented.

PICHETTO, JUAN RAUL. "The Present State of Social Legislation in the Argentine Republic." *International Labour Review*, Montreal, Vol. 46, No. 4 (October 1942), pp. 383-419.

WILLIAMSON, WILLIAM R. "Selection." *Transactions of the Actuarial Society of America*, New York, Vol. 43, Pt. 1, No. 107 (May 14 and 15, 1942), pp. 33-43.

A discussion of the factor of selection in various forms of private and social insurance, as well as in sickness and disability programs.

## OLD-AGE AND SURVIVORS INSURANCE

"Confederate Pensions." *Tennessee Public Welfare Record*, Nashville, Vol. 5, No. 9 (September 1942), p. 4.

A review of current Tennessee payments to Confederate veterans, their widows, and their servants.

MACK, ROBERT G. "Social Security Files." *Monthly Bulletin* (Connecticut Employment Security Division and U. S. Employment Service), Hartford, Vol. 7, No. 9 (September 1942), pp. 4 ff.

Old-age and survivors insurance records, their use in employment security agencies, and their confidential character.

## EMPLOYMENT SECURITY

"Administrative Law—Judicial Control—Statute Requiring Payment of Unemployment Compensation Regardless of Appeal Held Denial of Due Process to Employer." *Harvard Law Review*, Cambridge, Vol. 56, No. 1 (September 1942), pp. 131-132. (Recent Cases.)

A note on *Chrysler Corp. v. Appeal Board of Michigan Unemployment Compensation Commission*, 3 N. W. (2d) 302 (Mich. 1942).

BARNES, V. E. "Some Reactions of a Sovereign State to Unemployment Compensation." *American Labor Legislation Review*, New York, Vol. 32, No. 3 (September 1942), pp. 105-109.

Difficulties encountered by State unemployment compensation agencies in securing approval from the Social Security Board for proposed changes in unemployment compensation legislation and administration.

FICEK, KAREL. "Impressions of an Unemployment Insurance Traveler." *Placement-Unemployment Insurance Bulletin*, Albany, Vol. 6, No. 7 (August 1942), pp. 2-6. Processed.

Comments by a New York State official, who studied unemployment compensation systems in 11 Midwestern and Pacific Coast States during July and August.

KENTUCKY. UNEMPLOYMENT COMPENSATION COMMISSION. *Benefit Costs Under Bi-Weekly and Weekly Payment Plans*. Prepared by Research, Statistics, and Planning Section. Frankfort, August 1942. 23 pp. Processed. (Research Report No. 24.)

A 1940 amendment to the Kentucky Unemployment Compensation Law provided for payment of benefits on the basis of each 14-day period of unemployment instead of the widely accepted weekly basis. The law was later changed to provide for a return to the weekly base. Reasons for this reversion, together with other factors pertinent to the problem, are given.

OHIO. BUREAU OF UNEMPLOYMENT COMPENSATION and U. S. EMPLOYMENT SERVICE IN OHIO. *Characteristics of Claimants for Unemployment Compensation at Akron, Ohio, Week Ended September 5, 1942*. Prepared by Reports and Analysis Section. Place not given, 15 pp. Processed.

Reasons for continued unemployment in "one of the areas of greatest labor demand in the State of Ohio."

PENNSYLVANIA. DEPARTMENT OF LABOR AND INDUSTRY. BUREAU OF EMPLOYMENT AND UNEMPLOYMENT COMPENSATION. *Pennsylvania's Unemployment Compensation Fund—An Interim Statement, January 1942 to June 1942*. Prepared by Research and Statistics Section. Harrisburg, Sept. 15, 1942. 3 pp. Processed. (Statistical Information Bulletin No. 28.)

SLOANE, NEIL. "From the South." *Monthly Bulletin* (Connecticut Employment Security Division and U. S. Employment Service), Hartford, Vol. 7, No. 9 (September 1942), pp. 2 ff.



Describes an arrangement whereby Negro workers were imported from the South for farm employment in Connecticut during the summer of 1942.

## PUBLIC WELFARE AND RELIEF

COUNCIL OF SOCIAL AGENCIES OF THE DISTRICT OF COLUMBIA AND VICINITY. *Directory of Social Agencies of Washington, D. C. and Vicinity, 1942*. Washington: The Council, 1942. 137 pp. Processed.

"The Effect of Private Employment on the Relief Rolls of Five Selected Cities." *Monthly Caseload Report* (Department of Public Assistance, Philadelphia County Board), Philadelphia, July 29, 1942, pp. 10-12. Processed.

Text and table on "the monthly change in general assistance caseload due to the factor of private employment," in Chicago, Detroit, New York, Philadelphia, and Pittsburgh.

HODSON, WILLIAM. "Federal Aid for General Relief." *American Labor Legislation Review*, New York, Vol. 32, No. 3 (September 1942), pp. 103-104.

Urges that general assistance be added to the categories for which Federal grants are available on a matching basis.

HOFFMAN, ELIZABETH D. "How Employable Are the 'Employables'?" *The Family*, New York, Vol. 23, No. 6 (October 1942), pp. 203-209.

The findings in a Pennsylvania Department of Public Assistance survey of the employability of persons receiving general assistance.

KASIUS, CORA, Editor. *Relief Practice in a Family Agency*. New York: Family Welfare Association of America, 1942. 121 pp. (Family Service, Community Service Society of New York.)

Papers analyzing and describing current practice in private agencies.

LUNDBERG, EMMA O. "Counseling Service in a Day-Care Program." *The Child*, Washington, Vol. 7, No. 3 (September 1942), pp. 31-34.

MICHIGAN. UNIVERSITY. BUREAU OF GOVERNMENT. *Administration and Financing of Public Relief*. [Ann Arbor] The Bureau, 1942. 35 pp.

Reviews the history and present status of public aid in Michigan.

OHIO. DEPARTMENT OF PUBLIC WELFARE. DIVISION OF SOCIAL INFORMATION. *Public Aid in Ohio, 1938-1941; A Four-Year Picture of Non-Institutional Public Aid in Ohio*. Prepared by Research and Statistics. Columbus, September 1942. 59 pp. Processed.

STOVES, MILDRED. "Review of Old Age Assistance Cases." *Tennessee Public Welfare Record*, Nashville, Vol. 5, No. 8 (August 1942), p. 4.

THURSTON, HENRY W. *Concerning Juvenile Delinquency; Progressive Changes in Our Perspectives*. New York: Columbia University Press, 1942. 236 pp.

Emphasizes the historical perspective in a discussion of

delinquencies and their causes, treatment by courts, and treatment in the community. In discussing agencies other than the court, it is noted that mothers' pensions and aid to dependent children "have kept thousands of children from being brought to the juvenile court as dependent, neglected, and even delinquent children."

## HEALTH AND MEDICAL CARE

ANDREWS, JOHN B. "Responsible Action Required." *American Labor Legislation Review*, New York, Vol. 32, No. 3 (September 1942), pp. 99-100.

An editorial advocating prompt Federal action on health insurance.

COLLINS, SELWYN D. "Frequency and Volume of Hospital Care for Specific Diseases in Relation to all Illnesses Among 9,000 Families, Based on Nation-Wide Periodic Canvasses, 1928-31—Continued." *Public Health Reports*, Washington, Vol. 57, No. 39 (Sept. 25, 1942), pp. 1439-1460.

Compares hospitalized illness with general morbidity and mortality; notes distribution of cases by days of hospital care; and gives type of hospital, accommodations, and public clinic service. Bibliography.

DAVIS, MICHAEL M. "Government Participation in Medical Care." *American Labor Legislation Review*, New York, Vol. 32, No. 3 (September 1942), pp. 112-119.

Sketches present Government activities in the field of health, with the reasons for the type of growth and comment on the probable effects of the war on such services.

DEARDORFF, NEVA R., and FRAENKEL, MARTA. *Hospital Discharge Study; An Analysis of 576,823 Patients Discharged From Hospitals in New York City in 1933. Volume One—Hospitals and Hospital Patients in New York City*. New York: Welfare Council of New York City, 1942. 209 pp. Published as a report on a project of the Work Projects Administration, New York.

The first of three volumes presenting results of a study of hospitalized morbidity in New York City, undertaken to provide a picture of serious sickness and the demand for hospital care in the city and to study methods of hospital reporting. Gives findings on "The characteristics of hospital patients in general, their demographic data, the regional relationship between residence of patient and location of hospital, the financial relation between patient and hospital, etc." Later volumes will analyze hospitalized illness and the reporting of illness by hospitals. A bibliography is included, and the appendixes have detailed statistical information on New York and other areas.

"Extension of Accident Insurance in Germany." *International Labour Review*, Montreal, Vol. 46, No. 3 (September 1942), p. 356.

GAFAPER, WILLIAM M., and FRASIER, ELIZABETH S. "Studies on the Duration of Disabling Sickness; II—Duration of Disability From Sickness and Nonindustrial Injuries Among Male Workers, Disabilities Lasting One Calendar Day or Longer." *Public Health Reports*,

Washington, Vol. 57, No. 37 (Sept. 11, 1942), pp. 1378-1384.

An analysis of 7 years of experience by the industrial sick-benefit organization of a public utility company providing benefits from the first day of absence.

INGRAM, MARGUERITE LISON. "British Doctors Reconsider Health Insurance." *American Labor Legislation Review*, New York, Vol. 32, No. 3 (September 1942), pp. 128-132.

"Is Compulsory Health Insurance in the Public Interest?" *Medical Economics*, Rutherford, N. J., October 1942, pp. 42-43 ff.

A condensation of a radio broadcast given August 30 on the American Forum of the Air, with Drs. Ernest Boas and Miles Atkinson upholding the affirmative against Drs. Morris Fishbein and Edward Cary.

KNUTSON, JOHN W. "Evaluating Dental Health Programs." *Public Health Reports*, Washington, Vol. 57, No. 35 (Aug. 28, 1942), pp. 1287-1306.

Compares the results of dental findings among children of Waynesboro, Pa., which has had a dental program, with those of Hagerstown, Md., which has not had an organized dental program.

KOSSORIS, MAX D. "Industrial Injuries in the United States During 1941." *Monthly Labor Review*, Washington, Vol. 55, No. 3 (September 1942), pp. 501-527.

"Medical Legislation: Disability Insurance and Hospital Benefits." *Journal of the American Medical Association*, Chicago, Vol. 120, No. 4 (Sept. 26, 1942), pp. 296-297.

An analysis of H. R. 7534, introduced by Representative

Thomas H. Eliot of Massachusetts to amend the Social Security Act.

MILLS, ALDEN B., and CONLEY, DEAN. "Opinion Split on Social Security Proposal." *Modern Hospital*, Chicago, Vol. 59, No. 4 (October 1942), pp. 58-59.

The results of a poll of hospital administrators on questions relating to the proposed hospitalization plan to be administered by the Social Security Board.

MOUNTIN, JOSEPH W., and FLOOK, EVELYN. "Distribution of Health Services in the Structure of State Government; Chapter VI—Medical and Dental Care by State Agencies—Continued." *Public Health Reports*, Washington, Vol. 57, No. 34 (Aug. 21, 1942), pp. 1235-1275.

A detailed analysis, with tables, of State medical care programs providing general medical services, allied special medical services (including aid for crippled children and the blind), and dental services. Shows expenses for each State in each field.

SLOAN, RAYMOND P. "Brazil Guards Its Health; An Interview with Dr. Lutherio Vargas." *Modern Hospital*, Chicago, Vol. 59, No. 4 (October 1942), pp. 51-53.

A brief resumé of Brazil's hospital situation, with comment on health insurance. Illustrated.

VAN STEENWYK, E. A. "Is This a National Tragedy?" *Modern Hospital*, Chicago, Vol. 59, No. 4 (October 1942), pp. 68-69.

Upholds the idea that voluntary hospitalization plans are able to solve the problem of financing hospital care—for all but the indigent—without the use of a program to be administered by the Social Security Board.